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As filed with the Securities and Exchange Commission on February 21, 2020.

Registration No. 333-

UNITED STATES
SECURITIES AND EXCHANGE COMMISSION

Washington, D.C. 20549

FORM S-1

REGISTRATION STATEMENT
Under
The Securities Act of 1933

Inari Medical, Inc.

(Exact name of registrant as specified in its charter)

Delaware	**3841**	**45-2902923**
(State or other jurisdiction of incorporation or organization)	(Primary Standard Industrial Classification Code Number)	(I.R.S. Employer Identification No.)

9 Parker, Suite 100
Irvine, CA 92618
(877) 923-4747
(Address, including zip code, and telephone number, including area code, of registrant's principal executive offices)

William Hoffman
Chief Executive Officer
9 Parker, Suite 100
Irvine, CA 92618
(877) 923-4747
(Name, address, including zip code, and telephone number, including area code, of agent for service)

Copies to:

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Ilir Mujalovic
Shearman & Sterling LLP
599 Lexington Avenue
New York, NY 10022
(212) 848-4000

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

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

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

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

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

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

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

If an emerging growth company, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards provided pursuant to Section 7(a)(2)(B) of the Securities Act. ☐

CALCULATION OF REGISTRATION FEE

Title of Each Class of Securities To Be Registered	**Proposed Maximum Aggregate Offering Price (1)(2)**	**Amount of Registration Fee**
Common Stock, $0.001 par value per share	$100,000,000	$12,980

(1) Estimated solely for the purpose of calculating the registration fee pursuant to Rule 457(o) under the Securities Act of 1933, as amended.
(2) Includes the aggregate offering price of additional shares that the underwriters have the option to purchase.

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

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The information in this prospectus is not complete and may be changed. We may not sell these securities until the registration statement filed with the Securities and Exchange Commission is effective. This prospectus is not an offer to sell these securities and it is not soliciting an offer to buy these securities in any state where the offer or sale is not permitted.

Subject to Completion.
Preliminary Prospectus dated February 21, 2020

PROSPECTUS

Shares

Common Stock

This is Inari Medical, Inc.'s initial public offering. We are selling shares of our common stock.

We expect the public offering price to be between $ and $ per share. Currently, no public market exists for the shares of common stock. After pricing of the offering, we expect that the shares will trade on the Nasdaq Global Market under the symbol "NARI."

We are an "emerging growth company" and a "smaller reporting company" under the federal securities laws and are subject to reduced public company disclosure standards. See "Prospectus Summary—Implications of Being an Emerging Growth Company and a Smaller Reporting Company."

Investing in the common stock involves risks that are described in the "Risk Factors" section beginning on page 12 of this prospectus.

	Per Share	Total
Public offering price	$	$
Underwriting discounts(1)	$	$
Proceeds, before expenses, to us	$	$

(1) We refer you to "Underwriting" for additional information regarding underwriting compensation.

The underwriters may also exercise their option to purchase up to an additional shares of common stock from us at the initial public offering price, less the underwriting discounts, for 30 days after the date of this prospectus.

Neither the Securities and Exchange Commission nor any state securities commission has approved or disapproved of these securities or determined if this prospectus is truthful or complete. Any representation to the contrary is a criminal offense.

The shares will be ready for delivery on or about , 2020.

BofA Securities **Morgan Stanley**

Canaccord Genuity **Wells Fargo Securities**

The date of this prospectus is , 2020

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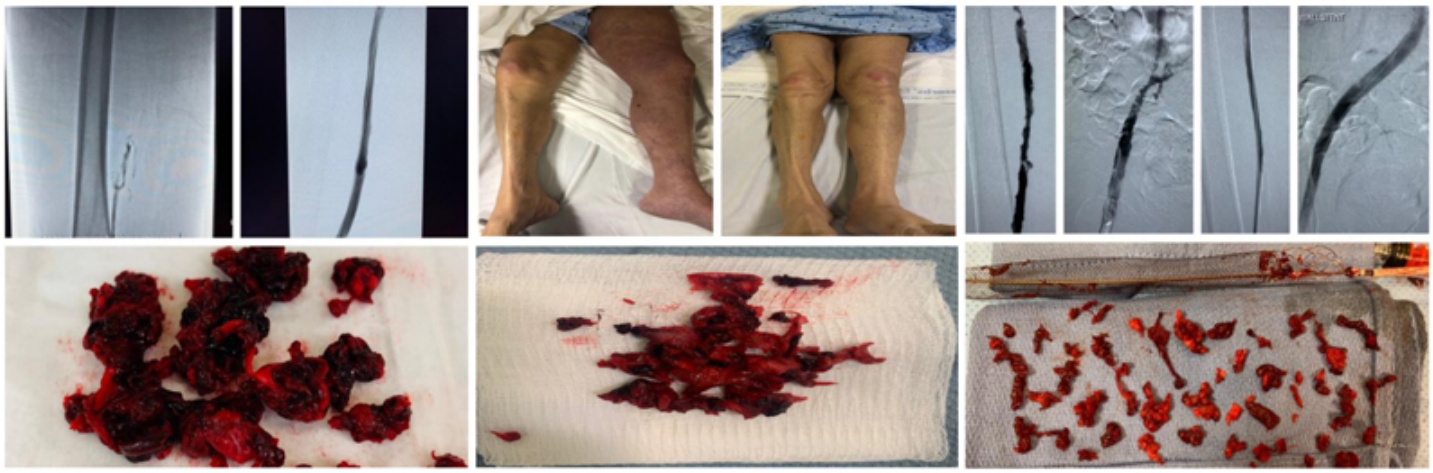
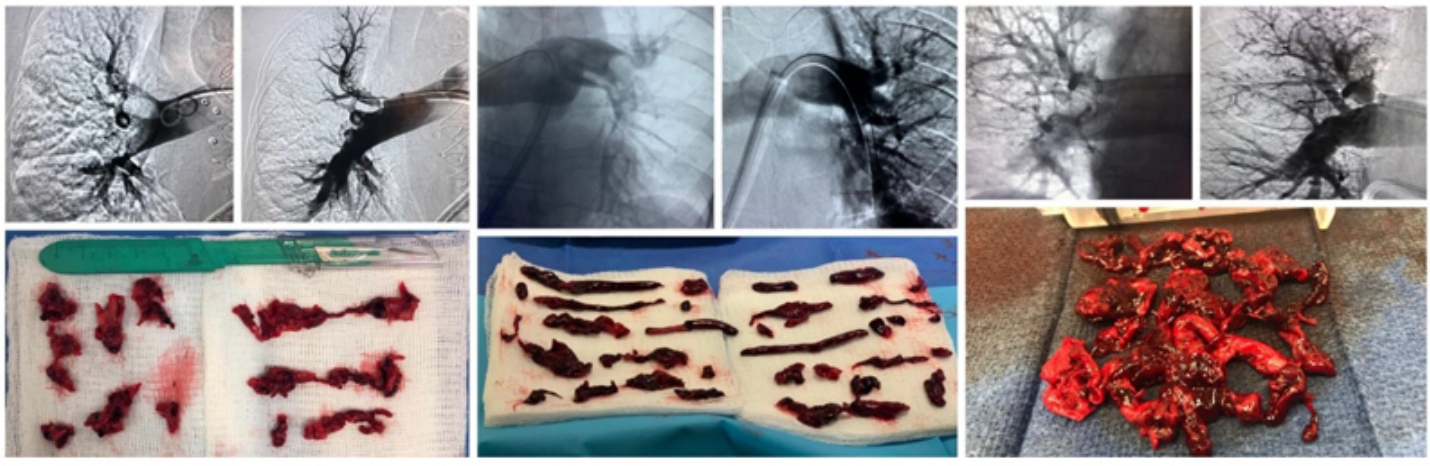


Developing Products to Treat and Transform the Lives of Patients Suffering from Venous Diseases



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We have not, and the underwriters have not, authorized anyone to provide any information or to make any representations other than those contained in this prospectus or in any free writing prospectuses prepared by or on behalf of us or to which we have referred you. We and the underwriters take no responsibility for, and can provide no assurance as to the reliability of, any other information that others may give you. This prospectus is an offer to sell only the shares of common stock offered hereby, but only under circumstances and in jurisdictions where it is lawful to do so. The information contained in this prospectus or in any applicable free writing prospectus is current only as of its date, regardless of its time of delivery or any sale of shares of our common stock. Our business, financial condition, results of operations and prospects may have changed since that date.

For investors outside the United States: We have not, and the underwriters have not, done anything that would permit this offering or possession or distribution of this prospectus in any jurisdiction where action for that purpose is required, other than in the United States. Persons outside the United States who come into possession of this prospectus must inform themselves about, and observe any restrictions relating to, the offering of the shares of common stock and the distribution of this prospectus outside the United States.

PROSPECTUS SUMMARY

This summary highlights information contained in more detail elsewhere in this prospectus. This summary does not contain all of the information you should consider before investing in our common stock. You should carefully read this prospectus in its entirety before investing in our common stock, including the sections titled "Risk Factors," "Management's Discussion and Analysis of Financial Condition and Results of Operations" and "Special Note Regarding Forward-Looking Statements," and our financial statements and the accompanying notes thereto included elsewhere in this prospectus.

Unless the context requires otherwise, references to "Inari," the "Company," "we," "us," and "our," refer to Inari Medical, Inc.

Overview

We are a commercial-stage medical device company focused on developing products to treat and transform the lives of patients suffering from venous diseases. Our initial product offering consists of two minimally-invasive, novel catheter-based mechanical thrombectomy devices. We purpose-built our products for the specific characteristics of the venous system and the treatment of the two distinct manifestations of venous thromboembolism, or VTE – deep vein thrombosis and pulmonary embolism. Our ClotTriever product is FDA-cleared for the removal of clot from peripheral blood vessels and is used to treat patients suffering from deep vein thrombosis, or DVT. Our FlowTriever product is the first thrombectomy system FDA-cleared for the treatment of pulmonary embolism, or PE. These products have been used to treat more than 6,700 patients at approximately 500 hospitals across the United States, with approximately 90% of cases being performed since we launched our broader commercial efforts in the third quarter of 2018. We have experienced significant growth since we began commercializing our products and have had strong momentum in our business in 2019, with 4,562 procedures performed using our products in 2019.

Historically, development efforts for mechanical thrombectomy devices have focused on arterial devices, which are then repurposed for use in the venous system. Given the significant differences between the arterial and venous systems and the clot that forms in each system, these devices have difficulty removing venous clot, which is often adhered to the vessel wall and is older, firmer and substantially larger than arterial clot.

We believe the best way to treat VTE and improve the quality of life of patients suffering from this disease is to safely and effectively remove the blood clot. With that in mind, we designed and purpose-built our ClotTriever and FlowTriever products. The ClotTriever is a mechanical thrombectomy system designed to core, capture and remove large clots from large vessels and is used to treat DVT. The FlowTriever is a large bore catheter-based aspiration and mechanical thrombectomy system designed to remove large clots from large vessels to treat PE. Both products are designed to eliminate the need for thrombolytic drugs.

Our ClotTriever and FlowTriever have received 510(k) clearance from the FDA. The primary clinical study we have completed to date regarding the safety and effectiveness of our products is our FlowTriever Pulmonary Embolectomy Clinical Study, or FLARE study, which was conducted under an investigational device exemption, or IDE, and completed in October 2017. The FLARE study supported FDA 510(k) clearance of the FlowTriever for the treatment of PE, which was received in May 2018. The study met both of its primary endpoints, demonstrating the safety and effectiveness of the FlowTriever for the treatment of PE without the use of thrombolytic drugs. There were no device-related major adverse events. Of the 106 patients evaluated, four patients (3.8%) experienced six major adverse events in the 48 hours after treatment, all of which were determined to be procedure-related. We are committed to continuing to develop a strong base of clinical evidence and real-world patient outcomes to further support the safety and effectiveness of our products. We are currently enrolling two 500-patient registries to evaluate real-world outcomes after treating patients with our products,

including longer term follow-up visits at up to two years after treatment with our ClotTriever and at up to six months after treatment with our FlowTriever. As of December 31, 2019, our ClotTriever registry and our FlowTriever registry had enrolled 93 and 117 patients, respectively. In addition, there are more than 10 ongoing investigator-initiated studies being conducted.

We believe our venous-focused commercial organization provides a significant competitive advantage. Our most important relationships are between our sales representatives and our target physicians, which include interventional cardiologists, interventional radiologists and vascular surgeons. We have developed systems and processes to harness the information gained from these relationships and we leverage this information to rapidly iterate products, introduce and execute physician education and training programs and scale our sales organization. We market and sell our products to hospitals, which are reimbursed by various third party payors. We have dedicated meaningful resources to building a direct sales force in the United States, which consisted of 63 sales representatives as of December 31, 2019, and we are actively expanding our sales organization through additional sales representatives and territories. As we expand our network of hospital customers and leverage our expanding sales organization, we seek to increase awareness within these hospitals and with our target physicians, referring physicians and other stakeholders at the account level in order to drive greater adoption of our products as the preferred first-line solution for the treatment of venous diseases.

Overall, we generated revenue of $51.1 million, with a gross margin of 88.4% and net losses of $1.2 million for the year ended December 31, 2019, compared to revenue of $6.8 million, with a gross margin of 81.2% and net losses of $10.2 million for the year ended December 31, 2018. Our accumulated deficit was $41.2 million as of December 31, 2019.

Our Market

VTE is a leading cause of death and disability worldwide and represents the third most common vascular diagnosis in the United States after myocardial infarction and stroke. Researchers estimate that approximately one million people present with VTE in the United States each year, resulting in approximately 296,000 deaths and direct health care costs in excess of $10 billion per year.

VTE is a disease caused by blood clot formation in the veins of the body. DVT occurs when clot forms in the deep veins of the extremities of the body, such as the legs. PE occurs when a venous clot embolizes or becomes mobile, travels through the heart and gets lodged in the pulmonary arteries of the lungs. Venous clot that causes PE originates as DVT.

Of the estimated 668,000 new DVT diagnoses and 400,000 new PE diagnoses in the United States each year, we believe approximately 242,000 DVT patients and approximately 200,000 PE patients, could benefit from safe and effective treatment with our ClotTriever and FlowTriever products, respectively. This represents a potential annual addressable U.S. market opportunity for our current products of approximately $3.6 billion based on the current average selling prices of our products. We also believe there is a substantial market opportunity outside the United States.

Current Treatment Alternatives and Their Limitations

There are several treatment options for DVT and PE patients, ranging from conservative medical management to advanced catheter-based interventions. We estimate that 68% of our target DVT patients and 90% of our target PE patients are treated with anticoagulants alone. We estimate that the remaining 32% of our target DVT patients and 10% of our target PE patients also receive additional treatment beyond anticoagulation. These treatments include mechanical thrombectomy and thrombolytic drugs. There is no consistent approach for

determining whether a given patient receives anticoagulants alone or in conjunction with additional treatments. Due in part to the limitations and potential dangers of these additional treatments, most patients are treated with anticoagulation alone.

- *Anticoagulants*. The current standard of care for treating VTE is conservative medical management with anticoagulants, which are drugs designed to prevent further blood clotting but that do not break down or eliminate existing clots. Anticoagulants are intended to stop further clot formation while the body attempts to break down and remove clots using its natural mechanisms. Nearly all patients receive this treatment, many of whom remain on anticoagulants for the remainder of their lives.

- *Mechanical Thrombectomy*. Mechanical thrombectomy is an interventional procedure in which a catheter is used to remove clot from vessels in the body, typically by aspiration. Some mechanical thrombectomy devices use a hybrid approach that combines aspiration-based mechanical thrombectomy and localized delivery of thrombolytic drugs. We believe there are a number of drawbacks and limitations to existing mechanical thrombectomy treatment options, including: limited ability to remove large, older clots; limited ability to remove clot from the vessel wall; increased safety risks; and multi-stage treatment with multiple procedures.

- *Thrombolytic Drug Therapy*. Thrombolytic drugs accelerate the body's natural mechanisms for clearing clot by catalyzing the enzyme that breaks down the fibrin composition of clot. These drugs have demonstrated efficacy in breaking down newly-formed, fibrin-rich clot. However, thrombolytic drugs are generally not effective on older clot in which clot composition has changed from a fibrin matrix to a firmer collagen matrix. This transition in clot morphology begins early and progresses quickly, with collagen content reaching approximately 80% within three weeks. As a result, we believe that thrombolytic drug therapy does not adequately treat VTE. In addition, thrombolytic drugs carry substantial risks of severe bleeding, and many patients are contraindicated for treatment. Moreover, they are an expensive, resource intensive and time consuming treatment, which require patients to stay in the intensive care unit, or ICU, for monitoring.

We believe the historical bias for conservative medical management is largely due to the ineffectiveness of, and risks associated with, current alternative treatments, and the lack of mechanical tools capable of removing venous clot in a safe, effective and simple way. The standard of care for treatment of other thrombotic diseases, such as myocardial infarction and stroke, has evolved from the use of anticoagulants alone to anticoagulants together with thrombolytic drugs and eventually to anticoagulants together with definitive catheter-based interventions. We believe that the venous system represents the newest frontier for effective catheter-based mechanical treatments and that our products could be the catalyst to drive the same evolution of treatment and become the standard of care for VTE patients.

Our Solution

We believe our purpose-built ClotTriever and FlowTriever products offer significant clinical benefits and address the safety and effectiveness limitations of thrombolytic drugs and repurposed arterial devices for the treatment of VTE. We believe our products are transformational because they offer hospitals, physicians and patients the following key benefits:

- ***Capture and remove large clot burden from large vessels.*** Our products are mechanical thrombectomy devices specifically designed to remove significant clot volumes associated with VTE from large vessels.

- ***Liberate clot mechanically and remove venous clot from the vessel wall.*** We have designed our products to remove clot that has adhered to the vessel wall by incorporating unique components that enable them to mechanically engage and liberate the clot from the vessel wall and remove it from the body.

- ***Eliminate the need for thrombolytic drugs.*** Our products have been designed to treat VTE without the need for thrombolytic drugs.

- ***Remove clot safely with minimal blood loss.*** Our products have been used to treat more than 6,700 patients and have demonstrated an excellent safety profile.

- ***Offer simple, intuitive and easy to use solutions to physicians.*** We designed and developed our products to enable a short learning curve and consistent ease of use. Our products are designed to utilize standard endovascular skills possessed by our target physicians.

- ***Enable short, single-session treatment with improved hospital and physician efficiency.*** Our products are intended to facilitate short, single-session treatments for both DVT and PE, with the potential to reduce the length of ICU stay and total length of hospital stay.

- ***Require no capital investment.*** Both of our products are fully self-contained systems and do not require additional capital equipment to perform the procedure.

Our Success Factors

We believe the continued growth of our company will be driven by the following success factors:

- ***Sole focus on and deep understanding of the venous system and venous diseases;***

- ***Proprietary devices designed to safely and effectively remove large volumes of clot from large vessels while eliminating the need for thrombolytic drugs;***

- ***Large market opportunity for patients with unmet needs;***

- ***Rapidly scaling commercial organization leveraging unique insights;***

- ***Simple, intuitive and easy to use products with minimal training required;***

- ***Compelling hospital economics and improved hospital and physician efficiency; and***

- ***Unique culture of focus on patient care, driving value creation.***

Our Growth Strategy

Our mission is to treat and transform the lives of patients suffering from venous diseases. To accomplish this, we intend to establish our products as the standard of care for the treatment of venous diseases. The key elements of our growth strategy are:

- ***Continuing to expand our U.S. sales force;***

- ***Driving increased awareness and adoption of our products in existing and future hospital customers;***

- ***Building upon our base of clinical evidence;***

- ***Continuing to expand our portfolio of venous products; and***

- ***Pursuing strategically adjacent markets and international opportunities.***

Risks Associated with Our Business

Our business is subject to a number of risks and uncertainties, including those highlighted in the section titled "Risk Factors" immediately following this Prospectus Summary. These risks include, but are not limited to, the following:

- We are an early-stage company with a history of significant net losses, we expect to incur operating losses in the future and we may not be able to achieve or sustain profitability.

- Our revenue is generated from the sales of our two products and we are therefore highly dependent on the success of those products. We have limited commercial sales experience regarding our products, which makes it difficult to evaluate our current business, predict our future prospects and forecast our financial performance and growth.

- Our business is dependent upon the broad adoption of our products and catheter-based thrombectomy procedures by hospitals, physicians and patients.

- Adoption of our ClotTriever and FlowTriever products requires approval by hospital value analysis committees, group purchasing organizations and integrated delivery networks, or the staff of hospitals or health systems.

- Adoption of our ClotTriever and FlowTriever products depends upon appropriate physician training, practice and patient selection.

- Adoption of our ClotTriever and FlowTriever products depends upon positive clinical data, and the safety and efficacy of our products are not yet supported by long-term clinical data, which could limit sales, and our products might therefore prove to be less safe or effective than initially thought.

- We manufacture and sell products that are used in a limited number of procedures and there is a limited total addressable market for our products. The sizes of the markets for our current products have not been established with precision, and may be smaller than we estimate.

- Catheter-based treatment for PE is subject to a Medicare National Coverage Determination that may restrict Medicare coverage for procedures using our FlowTriever product for the treatment of PE.

- We may not be able to maintain adequate levels of third-party coverage and reimbursement, and third parties may rescind or modify their coverage or delay payments related to our products.

- We have identified material weaknesses in our internal control over financial reporting and may experience material weaknesses in the future or otherwise fail to maintain an effective system of internal controls in the future, as a result of which, we may not be able to accurately report our financial condition or results of operations which may adversely affect investor confidence in us and, as a result, the value of our common stock.

- The market for our products is highly competitive. Our competitors may have longer operating histories, more established products and greater resources than we do, and may be able to develop or market treatments that are safer, more effective or gain greater acceptance in the marketplace than our products.

- We have limited experience manufacturing our products in commercial quantities and we face a number of manufacturing risks that may adversely affect our manufacturing abilities.

- We depend on a limited number of single source suppliers to manufacture our components, sub-assemblies and materials, which makes us vulnerable to supply shortages and price fluctuations.

- Our success will depend on our, and any of our current and future licensors', ability to obtain, maintain and protect our intellectual property rights.

- Our products and operations are subject to extensive government regulation and oversight in the United States.

Corporate Information

We were formed under the laws of the state of Delaware in July 2011 under the name Inceptus Newco1 Inc. and changed our name to Inari Medical, Inc. in September 2013.

Our principal executive offices are located at 9 Parker, Suite 100, Irvine, CA 92618 and our telephone number is (877) 923-4747. Our website address is *www.inarimedical.com*. The information contained on, or that can be accessed through, our website is not incorporated by reference into, and is not a part of, this prospectus or the registration statement of which this prospectus forms a part. Investors should not rely on any such information in deciding whether to purchase our common stock.

Inari Medical, Inari Medical, Inc., ClotTriever, FlowTriever, our logo and other registered or common law trade names, trademarks or service markets of Inari appearing in this prospectus are the property of Inari. This prospectus contains additional trade names, trademarks and service marks of other companies that are the property of their respective owners. We do not intend our use or display of other companies' trade names, trademarks or service marks to imply a relationship with, or endorsement or sponsorship of us by, these other companies. Solely for convenience, our trade names, trademarks and service marks referred to in this prospectus appear without the ®, ™ or SM symbols, but such references are not intended to indicate, in any way, that we will not assert, to the fullest extent under applicable law, our rights or the right of the applicable licensor to these trade names, trademarks and service marks.

Implications of Being an Emerging Growth Company and a Smaller Reporting Company

We qualify as an "emerging growth company" as defined in Section 2(a) of the Securities Act of 1933, as amended, or the Securities Act, as modified by the Jumpstart Our Business Startups Act of 2012, or the JOBS Act. As an emerging growth company, we may take advantage of specified reduced disclosure and other requirements that are otherwise applicable, in general, to public companies that are not emerging growth companies. These provisions include:

- the option to present only two years of audited financial statements and only two years of related Management's Discussion and Analysis of Financial Condition and Results of Operations in this prospectus;

- not being required to comply with the auditor attestation requirements of Section 404 of the Sarbanes-Oxley Act of 2002;
- reduced disclosure obligations regarding executive compensation in our periodic reports, proxy statements and registration statements; and
- exemptions from the requirements of holding a nonbinding advisory vote on executive compensation and stockholder approval of any golden parachute payments not previously approved.

We will remain an emerging growth company until the earliest to occur of: (i) the last day of the first fiscal year in which our annual gross revenue exceeds $1.07 billion; (ii) the date that we become a “large accelerated filer” as defined in Rule 12b-2 under the Securities Exchange Act of 1934, as amended, or the Exchange Act, which would occur if the market value of our common stock that is held by non-affiliates exceeds $700 million as of the last business day of our most recently completed second fiscal quarter; (iii) the date on which we have issued, in any three-year period, more than $1.0 billion in non-convertible debt securities; and (iv) the last day of the fiscal year ending after the fifth anniversary of the completion of this offering.

We have elected to take advantage of certain of the reduced disclosure obligations in the registration statement of which this prospectus is a part and may elect to take advantage of other reduced reporting requirements in future filings. As a result, the information that we provide may be different than the information you receive from other public companies in which you hold stock.

Emerging growth companies can also take advantage of the extended transition period for complying with new or revised accounting standards. In other words, an emerging growth company can delay the adoption of certain accounting standards until those standards would otherwise apply to private companies. We have elected to take advantage of this extended transition period and, as a result, our operating results and financial statements may not be comparable to the operating results and financial statements of companies who have adopted the new or revised accounting standards.

As a result of these elections, we do not know if some investors will find our common stock less attractive. The result may be a less active trading market for our common stock, and the price of our common stock may become more volatile.

We are also a “smaller reporting company” as defined in the Exchange Act. We may continue to be a smaller reporting company even after we are no longer an emerging growth company. We may take advantage of certain of the scaled disclosures available to smaller reporting companies and will be able to take advantage of these scaled disclosures for so long as our voting and non-voting common stock held by non-affiliates is less than $250.0 million measured on the last business day of our second fiscal quarter, or our annual revenue is less than $100.0 million during the most recently completed fiscal year and our voting and non-voting common stock held by non-affiliates is less than $700.0 million measured on the last business day of our second fiscal quarter.

The Offering

Common stock offered by us	shares
Common stock to be outstanding after this offering	shares (or shares if the underwriters exercise their option to purchase additional shares in full)
Option to purchase additional shares	We have granted the underwriters a 30-day option to purchase up to additional shares of our common stock at the public offering price, less the underwriting discounts and commissions.
Use of proceeds	We estimate that the net proceeds to us from this offering will be approximately $ million (or approximately $ million if the underwriters exercise their option to purchase additional shares in full), assuming an initial public offering price of $ per share, which is the midpoint of the price range set forth on the cover page of this prospectus, and after deducting the underwriting discounts and commissions and estimated offering expenses payable by us. We intend to use the net proceeds from this offering to expand our commercial activities, including marketing personnel and programs, to fund product development, research activities and clinical development activities and the remainder for working capital and general corporate purposes, See "Use of Proceeds."
Risk factors	Investing in our common stock involves a high degree of risk. See "Risk Factors" beginning on page 12 and the other information included in this prospectus for a discussion of factors you should consider carefully before deciding to invest in our common stock.
Reserved share program	At our request, the underwriters have reserved for sale, at the initial public offering price, up to % of the shares offered by this prospectus for sale to some of our directors, officers, employees, distributors, dealers, business associates and related persons. If these persons purchase reserved shares, this will reduce the number of shares available for sale to the general public. Any reserved shares that are not so purchased will be offered by the underwriters to the general public on the same terms as the other shares offered by this prospectus.
Proposed Nasdaq Global Market symbol	"NARI."

The number of shares of our common stock to be outstanding after this offering is based on 55,248,527 shares of our common stock outstanding as of December 31, 2019, which includes 45,651,216 shares of common stock issuable upon the conversion of all of our outstanding shares of convertible preferred stock and excludes:

- 39,713 shares of our common stock issuable upon the exercise of a warrant to purchase common stock outstanding as of December 31, 2019, with an exercise price of $0.10 per share;

- 110,000 shares of our common stock issuable upon the exercise of a warrant to purchase Series A convertible preferred stock outstanding as of December 31, 2019, with an exercise price of $1.00 per share, which will convert into a warrant to purchase common stock immediately prior to the closing of this offering;
- 256,410 shares of our common stock issuable upon the exercise of a warrant to purchase Series B convertible preferred stock outstanding as of December 31, 2019, with an exercise price of $1.17 per share, which will convert into a warrant to purchase common stock immediately prior to the closing of this offering;
- 5,829,739 shares of our common stock issuable upon the exercise of outstanding options under our 2011 Equity Incentive Plan as of December 31, 2019, at a weighted-average exercise price of $0.63 per share;
- 4,094,552 shares of our common stock issuable upon the vesting and settlement of outstanding restricted stock units, or RSUs, under our 2011 Equity Incentive Plan as of December 31, 2019; and
- shares of our common stock reserved for future issuance under our equity compensation plans, consisting of (1) 716,950 shares of our common stock reserved for future issuance under our 2011 Equity Incentive Plan as of December 31, 2019, (2) shares of our common stock reserved for future issuance under our 2020 Incentive Award Plan, which will become effective upon the effectiveness of the registration statement of which this prospectus forms a part, and (3) shares of our common stock reserved for future issuance under our 2020 Employee Stock Purchase Plan, or ESPP, which will become effective upon the effectiveness of the registration statement of which this prospectus forms a part.

In addition, unless otherwise indicated, the information in this prospectus reflects and assumes:

- the filing of our amended and restated certificate of incorporation and the adoption of our amended and restated bylaws, each of which will be in effect immediately prior to the closing of this offering;
- a -for- reverse stock split of our common stock to be effected on , 2020;
- the automatic conversion of 45,651,216 shares of our convertible preferred stock outstanding as of December 31, 2019 into shares of our common stock immediately prior to the closing of this offering;
- the automatic conversion of all warrants to purchase shares of our convertible preferred stock outstanding as of December 31, 2019 into warrants to purchase 366,410 shares of our common stock immediately prior to the closing of this offering;
- no exercise of the outstanding options and warrants referred to above; and
- no exercise of the underwriters' option to purchase additional shares of our common stock.

Summary Financial Data

The following tables summarize our financial data for the periods and as of the dates indicated. We derived our summary statement of operations data for the years ended December 31, 2018 and 2019 and the balance sheet data as of December 31, 2019 from our audited financial statements that are included elsewhere in this prospectus. Our historical results are not necessarily indicative of the results to be expected in the future. You should read the following information in conjunction with the sections titled "Selected Financial Data" and "Management's Discussion and Analysis of Financial Condition and Results of Operations" and our financial statements and the accompanying notes thereto included elsewhere in this prospectus.

	Year ended December 31,	
	2018	2019
	(in thousands, except share and per share data)	
Statement of Operations Data:		
Revenues	$ 6,829	$ 51,129
Cost of goods sold	1,281	5,911
Gross profit	5,548	45,218
Operating expenses:		
Research and development	3,990	7,220
Selling, general and administrative	10,698	37,197
Total operating expenses	14,688	44,417
Income (loss) from operations	(9,139)	801
Other income (expense):		
Interest income	92	89
Interest expense	(887)	(920)
Change in fair value of warrant liabilities	(85)	(957)
Other expenses	(133)	(205)
Total other expenses, net	(1,013)	(1,993)
Net loss and comprehensive loss	$ (10,153)	$ (1,192)
Net loss per share, basic and diluted (1)	$ (1.41)	$ (0.14)
Weighted average shares of common stock used to compute net loss per share, basic and diluted (1)	7,221,036	8,407,425
Pro forma net loss per share, basic and diluted (unaudited) (1)		
Weighted average shares of common stock used to compute pro forma net loss per share, basic and diluted (unaudited) (1)		

(1) See Note 2 to our audited financial statements included elsewhere in this prospectus for an explanation of the method used to calculate our historical and pro forma basic and diluted net loss per share.

	As of December 31, 2019		
	Actual	Pro Forma (1) (unaudited) (in thousands)	Pro Forma As Adjusted (2) (3) (unaudited)
Balance Sheet Data:			
Cash and cash equivalents	$ 23,639	$	$
Working capital (4)	30,538		
Total assets	44,547		
Total liabilities	29,520		
Warrant liabilities	1,169	—	
Redeemable convertible preferred stock	54,170	—	
Total stockholders' deficit (equity)	(39,144)		

(1) Reflects the automatic conversion of 45,651,216 shares of our convertible preferred stock into shares of our common stock immediately prior to the closing of this offering and the conversion of all warrants to purchase shares of our convertible preferred stock into warrants to purchase 366,410 shares of our common stock immediately prior to the closing of this offering.

(2) Reflects the pro forma adjustments described in footnote (1) above and the sale by us of shares of common stock in this offering at the assumed initial public offering price of $ per share, which is the midpoint of the price range set forth on the cover page of this prospectus, after deducting underwriting discounts and commissions and estimated offering expenses payable by us.

(3) A $1.00 increase (decrease) in the assumed initial public offering price of $ per share, which is the midpoint of the price range set forth on the cover page of this prospectus, would increase (decrease) the pro forma as adjusted amount of each of cash and cash equivalents, working capital, total assets and total stockholders' equity by approximately $, assuming that the number of shares offered by us, as set forth on the cover page of this prospectus, remains the same and after deducting the underwriting discounts and commissions and estimated offering expenses payable by us. Similarly, an increase (decrease) of 1.0 million shares in the number of shares offered by us at the assumed initial public offering price would increase (decrease) each of cash and cash equivalents, working capital, total assets and total stockholders' equity by approximately $, assuming the shares of our common stock offered by this prospectus are sold at the assumed initial public offering price of $ per share, which is the midpoint of the price range set forth on the cover page of this prospectus, and after deducting the underwriting discounts and commissions and estimated offering expenses payable by us. The pro forma information discussed above is illustrative only and will be adjusted based on the actual initial public offering price, the number of shares we sell and other terms of this offering that will be determined at pricing.

(4) We define working capital as current assets less current liabilities. See our financial statements and the accompanying notes thereto included elsewhere in this prospectus for further details regarding our current assets and current liabilities.

RISK FACTORS

Investing in our common stock involves a high degree of risk. You should carefully consider the risks and uncertainties described below, together with all of the other information in this prospectus, including the section titled "Management's Discussion and Analysis of Financial Condition and Results of Operations" and our financial statements and the accompanying notes thereto included elsewhere in this prospectus, before investing in our common stock. The risks and uncertainties described below are not the only ones we face. Additional risk and uncertainties that we are unaware of or that we deem immaterial may also become important factors that adversely affect our business. The realization of any of these risks and uncertainties could have a material adverse effect on our reputation, business, financial condition, results of operations, growth and future prospects, as well as our ability to accomplish our strategic objectives. In that event, the market price of our common stock could decline and you could lose part or all of your investment.

Risks Related to Our Business

We are an early-stage company with a history of significant net losses, we expect to incur operating losses in the future and we may not be able to achieve or sustain profitability.

We have incurred net losses since our original formation as Inceptus Newco1 Inc. in July 2011. For the years ended December 31, 2018 and 2019, we had a net loss of $10.2 million and $1.2 million, respectively, and we expect to continue to incur additional losses in the future. As of December 31, 2019, we had an accumulated deficit of $41.2 million. To date, we have financed our operations primarily through equity and debt financings and from sales of our two products, the ClotTriever, for treatment of deep vein thrombosis, or DVT, and the FlowTriever, for treatment of pulmonary embolism, or PE. The losses and accumulated deficit have primarily been due to the substantial investments we have made to develop our products, costs related to our sales and marketing efforts, general research and development expenses, including costs related to clinical and regulatory initiatives to obtain marketing approval, and infrastructure improvements.

In addition, as a public company, we will incur significant legal, accounting and other expenses that we did not incur as a private company. Accordingly, we expect to continue to incur operating losses for the foreseeable future and we cannot assure you that we will achieve profitability in the future or that, if we do become profitable, we will sustain profitability. Our failure to achieve and sustain profitability in the future will make it more difficult to finance our business and accomplish our strategic objectives, which would have a material adverse effect on our business, financial condition and results of operations and cause the market price of our common stock to decline. In addition, failure of our products to significantly penetrate the target markets would negatively affect our business, financial condition and results of operations.

Our revenue is generated from the sales of our two products and we are therefore highly dependent on the success of those products. We have limited commercial sales experience regarding our products, which makes it difficult to evaluate our current business, predict our future prospects and forecast our financial performance and growth.

We began commercializing our products in the United States in 2017 and therefore do not have a long history operating as a commercial company. Over the next several years, we expect to continue to devote a substantial amount of resources to expand our commercialization efforts, drive increased adoption of our products and continue to develop new and improved products. Our limited commercialization experience and limited number of approved or cleared products make it difficult to evaluate our current business and predict our future prospects. These factors also make it difficult for us to forecast our future financial performance and growth, and such forecasts are subject to a number of uncertainties, including our ability to successfully complete preclinical studies and clinical trials and obtain FDA pre-market approval for future planned products or changes to existing products.

To date, all of our revenue has been derived, and we expect it to continue to be substantially derived, from sales of our ClotTriever and FlowTriever. Our products provide new catheter-based treatment options that we believe have the potential to become the standard of care for the two diseases that comprise venous thromboembolism, or VTE, namely DVT and PE. Physician awareness of, and experience with, our products is currently limited. As a result, our products have limited product and brand recognition within the medical industry for the treatment of VTE. The novelty of our products, together with our limited commercialization experience, makes it difficult to evaluate our current business and predict our future prospects. A number of factors, including some outside of our control, may contribute to fluctuations in our financial results, including:

- Physician and hospital demand for our products and adoption of our products and catheter-based thrombectomy procedures;
- Changes in reimbursement rates by government or commercial payors;
- Positive or negative media coverage, or public, patient and/or physician perception, of our products or competing products and treatments;
- Any safety or effectiveness concerns that arise regarding our products or other catheter-based thrombectomy procedures;
- The effectiveness of our marketing and sales efforts, including our ability to have a sufficient number of talented sales representatives to sell our products;
- Unanticipated delays in product development or product launches;
- Our ability to raise additional capital on acceptable terms, or at all, if needed to support the commercialization of our products;
- Our ability to achieve and maintain compliance with all regulatory requirements applicable to our products;
- Our ability to obtain, maintain and enforce our intellectual property rights;
- Our third-party suppliers' ability to supply the components of our products in a timely manner, in accordance with our specifications, and in compliance with applicable regulatory requirements; and
- Introduction of new products or alternative treatments for VTE that compete with our products.

It is therefore difficult to predict our future financial performance and growth, and such forecasts are inherently limited and subject to a number of uncertainties. If our assumptions regarding the risks and uncertainties we face, which we use to plan our business, are incorrect or change due to circumstances in our business or our markets, or if we do not address these risks successfully, our operating and financial results could differ materially from our expectations and our business could suffer.

In addition, because we devote substantially all of our resources to our products and rely on our products as our sole source of revenue, any factors that negatively impact our products or result in a decrease in sales of products, could have a material adverse effect on our business, financial condition and results of operations.

Our business is dependent upon the broad adoption of our products and catheter-based thrombectomy procedures by hospitals, physicians and patients.

To date, a substantial majority of our product sales and revenue have been derived from a limited number of hospitals. Our future growth and profitability largely depend on our ability to increase physician and

patient awareness of our products and on the willingness of physicians and hospitals to adopt our products and conduct catheter-based thrombectomy procedures for treatment of VTE. Physicians may not adopt our products unless they are able to determine, based on experience, clinical data, medical society recommendations and other analyses, that our products provide a safe and effective treatment alternative for VTE. Even if we are able to raise awareness among physicians, they may be slow in changing their medical treatment practices and may be hesitant to select our products or conduct catheter-based thrombectomy procedures for a variety of reasons, including:

- Lack of experience with our products and concerns that we are relatively new to market;
- Perceived liability risk generally associated with the use of new products and treatment options;
- Lack or perceived lack of sufficient clinical evidence, including long-term data, supporting clinical benefits or the cost-effectiveness of our products over existing treatments;
- The failure of key opinion leaders to provide recommendations regarding our products, or to assure physicians, patients and healthcare payors of the benefits of our products as an attractive alternative to other treatment options;
- Perception that our products are unproven;
- Long-standing relationships with companies and distributors that sell other products or treatment options for VTE, such as repurposed arterial devices and thrombolytic drugs;
- Lack of availability of adequate third-party payor coverage or reimbursement;
- Competitive response and negative selling efforts from providers of alternative treatments; and
- Perception regarding the time commitment and skill development that may be required to gain familiarity and proficiency with our products.

To effectively market and sell our products, we will need to educate the medical community about the safety, efficacy, necessity and efficiency of our products and about the patient population that would potentially benefit from a catheter-based thrombectomy procedure using one of our products. We focus our sales, marketing and education efforts primarily on our target physicians, including interventional cardiologists, interventional radiologists and vascular surgeons, and also aim to educate and inform referring physicians, such as vascular surgeons, pulmonologists, radiologists, general practitioners and administrators regarding our products and the potential patient population. However, we cannot assure you that we will achieve broad education or market acceptance among these physicians. For example, if diagnosing physicians that serve as the primary point of contact for patients are not made aware of our products or catheter-based thrombectomy procedures, they may not refer patients to physicians for treatment using our products, and those patients may be treated with alternative procedures or treatments, such as anticoagulants alone or thrombolytic drugs. In addition, some physicians may choose to utilize our products on only a subset of their total patient population or may not adopt our products at all. If we are not able to effectively demonstrate that our products and catheter-based thrombectomy procedures are beneficial for a broad range of patients, adoption of our products will be limited and may not occur as rapidly as we anticipate or at all, which would have a material adverse effect on our business, financial condition and results of operations. We cannot assure you that our products will achieve broad market acceptance among hospitals, physicians and patients. Any failure of our products to satisfy demand or to achieve meaningful market acceptance and penetration will harm our future prospects and have a material adverse effect on our business, financial condition and results of operations.

Adoption of our ClotTriever and FlowTriever products requires approval by hospital value analysis committees, group purchasing organizations and integrated delivery networks, or the staff of hospitals or health systems.

In most cases, before physicians can use our products for the first time, our products must be approved for use by hospital value analysis committees, group purchasing organizations and integrated delivery networks, or the staff of hospitals or health systems. Following such approval, we may be required to enter into a purchase contract. Such approvals or requirements to enter into a purchase contract could deter or delay the use of our products by physicians. We cannot provide assurance that our efforts to obtain such approvals, enter into purchase contracts, or generate adoption will be successful or increase the use of our products, and if we are not successful, it could have a material adverse effect on our business, financial condition and results of operations.

Adoption of our ClotTriever and FlowTriever products depends upon appropriate physician training, practice and patient selection.

The success of our products depends in part on the skill of the physician performing the catheter-based thrombectomy procedures and on their adherence to our stated patient selection criteria and proper techniques that we provide in training sessions. For example, we train physicians to ensure correct use of our products; however, physicians rely on their previous medical training and experience when performing catheter-based thrombectomy procedures, and we cannot guarantee that all such physicians will have the necessary skills or experience to safely and effectively perform these procedures. We do not control which physicians perform these procedures or how much training they receive, and physicians who have not completed our training sessions may nonetheless attempt to perform catheter-based thrombectomy procedures with our products. In addition, a perception by physicians that our products are difficult to use may negatively impact adoption. If physicians perform these procedures in a manner that is inconsistent with our labeled indications, with components that are not our products, with patients who are not indicated for treatment with our products or without adhering to or completing our training sessions, the patient outcomes may be negative or inconsistent with the outcomes achieved in our clinical trials. This could negatively impact the perception of patient benefits and safety associated with our products and limit adoption of our products and catheter-based thrombectomy procedures generally, which would have a material adverse effect on our business, financial condition and results of operations.

Adoption of our ClotTriever and FlowTriever products depends upon positive clinical data, and the safety and efficacy of our products are not yet supported by long-term clinical data, which could limit sales, and our products might therefore prove to be less safe or effective than initially thought.

The rate of adoption and sales of our products is heavily influenced by clinical data. Currently, the primary clinical data regarding the safety and effectiveness of our products is limited to our FlowTriever Pulmonary Embolectomy Clinical Study, or FLARE study, which was a prospective, multicenter, single-arm study to evaluate the safety and effectiveness of our first-generation FlowTriever for use in the removal of clot from the pulmonary arteries in the treatment of 106 patients with acute intermediate-risk PE. Other studies, including a retrospective, single-center study conducted by St. Luke’s Hospital in Kansas City, Missouri in 46 patients with intermediate- and high-risk PE and a retrospective, multicenter study in 27 patients with high-risk PE have been conducted examining the safety, efficacy and feasibility of treatment using the FlowTriever. No clinical trials or studies have been completed using the ClotTriever. To augment this data, we are currently enrolling our ClotTriever Outcomes, or CLOUT, and FlowTriever All-Comer Registry for Patient Safety and Hemodynamics, or FLASH, registries, each of which is intended to evaluate and assess real-world patient outcomes in up to 500 patients. We plan to conduct additional clinical trials to help drive increased awareness and adoption of our products with existing and new customers. Historical clinical results are not necessarily predictive of future clinical results, and we cannot assure you that the results reported in these registries will be consistent with, or better than, currently available clinical data. Moreover, the outcomes and updates resulting from these registries, including interim results, may be compared to the results of other products and treatments

for DVT or PE, and if the comparisons are not favorable, it may limit the adoption of our products. In addition, our competitors and other third parties may also conduct clinical trials of our products without our participation. Unfavorable or inconsistent clinical data from existing or future clinical trials conducted by us, our competitors or other third parties, the interpretation of our clinical data or findings of new or more frequent adverse events, could subject us to mandatory or voluntary product recalls, suspension or withdrawal of FDA or other governmental clearance or approval, significant legal liability or harm to our business reputation and could have a material adverse effect on our business, financial condition and results of operations.

Our products will be adopted and compete, in part, based on long-term data regarding patient outcomes and the risk of our products relative to other treatment options. The long-term clinical outcomes of catheter-based thrombectomy procedures with our products are not known and, due to the novelty of our products, there is no long-term data regarding patient outcomes beyond our current clinical trials. The results of short-term clinical experience of our products do not necessarily predict long-term clinical outcomes. We believe that physicians will compare the rates of long-term clinical outcomes for procedures using our products against alternative procedures and treatment options. If the long-term data do not meet physicians' expectations, or if long-term data indicate that our products are not as safe or effective as other treatment options, or as current short-term data would suggest, our products may not become widely adopted, physicians may recommend alternative treatments for their patients, which will negatively affect our business, financial condition and results of operations.

We have limited experience in training and marketing and selling our products and we may provide inadequate training, fail to increase our sales and marketing capabilities or fail to develop broad brand awareness in a cost effective manner.

We have limited experience marketing and selling our products. We currently rely on our direct sales force to sell our products in targeted geographic regions and territories, and any failure to maintain and grow our direct sales force could harm our business. The members of our direct sales force are trained and possess technical expertise, which we believe is critical in driving the awareness and adoption of our products. The members of our U.S. sales force are at-will employees. The loss of these personnel to competitors, or otherwise, could materially harm our business. If we are unable to retain our direct sales force personnel or replace them with individuals of equivalent expertise and qualifications, or if we are unable to successfully instill such expertise in replacement personnel, our product sales, revenues and results of operations could be materially harmed.

In order to generate future growth, we plan to continue to significantly expand and leverage our commercial infrastructure to increase our customer base and increase awareness and adoption by existing customers to drive our growth. Identifying and recruiting qualified sales and marketing professionals and training them on our products and catheter-based thrombectomy procedures in the venous system, on applicable federal and state laws and regulations and on our internal policies and procedures requires significant time, expense and attention. It can take several months or more before a sales representative is fully trained and productive. Our sales force may subject us to higher fixed costs than those of companies with competing products or treatments, such as thrombolytic drugs, that can utilize independent third parties, placing us at a competitive disadvantage. Our business may be harmed if our efforts to expand and train our sales force do not generate a corresponding increase in product sales and revenue, and our higher fixed costs may slow our ability to reduce costs in the face of a sudden decline in demand for our products. Any failure to hire, develop and retain talented sales personnel, to achieve desired productivity levels in a reasonable period of time or timely reduce fixed costs, could have material adverse effect on our business, financial condition and results of operations.

Our ability to increase our customer base and achieve broader market acceptance of our products will depend, to a significant extent, on our ability to expand our sales and marketing and educational efforts. We plan to dedicate significant resources to our sales and marketing and educational programs. Our business may be harmed if these efforts and expenditures do not generate a corresponding increase in revenue. In addition, we believe that developing and maintaining broad awareness of our brand in a cost effective manner is critical to

achieving broad acceptance of our products and reaching new physicians, hospitals and patients. Brand promotion activities may not generate hospital or physician awareness or increase revenue, and even if they do, any increase in revenue may not offset the costs and expenses we incur in building our brand. If we fail to successfully promote, maintain and protect our brand, we may fail to attract or retain the market acceptance necessary to realize a sufficient return on our brand building efforts, or to achieve the level of brand awareness that is critical for broad adoption of our products.

We manufacture and sell products that are used in a limited number of procedures and there is a limited total addressable market for our products. The sizes of the markets for our current products have not been established with precision, and may be smaller than we estimate.

In the United States, approximately 668,000 patients are diagnosed with DVT and approximately 400,000 patients are diagnosed with PE each year. Of these, we estimate that approximately 242,000 patients present with DVT in the iliofemoral region and 200,000 patients have PE severe enough to cause right heart strain. Historically, we estimate that only 32% of such DVT patients and 10% of such PE patients have received treatment for these conditions beyond conservative medical management using anticoagulants. However, based on FDA clearance and indications of use for our products, we believe that the approximately 242,000 DVT patients and 200,000 PE patients per year are potential candidates for treatment using our products. The total addressable market for our products is subject to change from year to year and may be further limited by FDA restrictions or more narrowly defined indications, any of which could have a material adverse effect on our business, financial condition and results of operations.

Our estimates of the annual total addressable markets for our current products are based on a number of internal and third-party estimates, including, without limitation, the number of patients with DVT and PE treatable by our products and the assumed prices at which we can sell our products in markets that have not yet been fully established. While we believe our assumptions and the data underlying our estimates are reasonable, these assumptions and estimates may not be correct and the conditions supporting our assumptions or estimates may change at any time, thereby reducing the predictive accuracy of these underlying factors. As a result, our estimates of the annual total addressable market for our current products may prove to be incorrect. If the actual number of patients who would benefit from our solution, the price at which we can sell our products, or the annual total addressable market for our products is smaller than we have estimated, it may impair our sales growth and negatively affect our business, financial condition and results of operations.

Catheter-based treatment for PE is subject to a Medicare National Coverage Determination that may restrict Medicare coverage for procedures using our FlowTriever product for the treatment of PE.

In 1983, the Centers for Medicare and Medicaid Services, or CMS, adopted a National Coverage Determination, or NCD, for Transvenous Pulmonary Embolectomy, NCD 240.6. At that time, NCD 240.6 deemed catheter-based pulmonary embolectomy to be experimental and non-covered by Medicare. There is currently uncertainty as to whether NCD 240.6 may apply to procedures using our FlowTriever product to treat PE. If NCD 240.6 is determined to exclude from Medicare coverage procedures that use our FlowTriever for the treatment of PE, there would be a material adverse effect on our business.

We understand that various medical societies, including the Society for Cardiovascular Angiography and Interventions, the Society for Interventional Radiology, and the Society for Vascular Medicine, as well as the American College of Cardiology, have requested that CMS remove NCD 240.6 through an expedited administrative removal process available for NCDs that have not been updated in at least ten years. We can give no assurance that NCD 240.6 will be removed. Further, CMS may elect to retain NCD 240.6 and begin enforcing NCD 240.6 with respect to procedures using our FlowTriever product for the treatment of PE, which could result in claim denials and overpayments for our customers and significantly impact demand for the FlowTriever, which would have a material adverse effect on our business, financial condition and results of operations.

We may not be able to maintain adequate levels of third-party coverage and reimbursement, and third parties may rescind or modify their coverage or delay payments related to our products.

We derive our revenue from sales of our ClotTriever and FlowTriever products to hospitals and other medical centers, which typically bill all or a portion of the costs and fees associated with our products to various third-party payors, including Medicare, Medicaid, private commercial insurance companies, health maintenance organizations and other healthcare-related organizations, and then bill patients for any applicable deductibles or co-payments. For example, we sell our products to hospitals that purchase our products for use in catheter-based thrombectomy procedures and do not sell our products to commercial payors. As a result, access to adequate coverage and reimbursement for our products by third-party payors is essential to the acceptance and adoption of our products.

Coverage and reimbursement by governmental and third-party payors may depend upon a number of factors, including the determination that the product or service and its use or administration for a particular patient is:

- a covered benefit;
- safe, effective and medically necessary;
- appropriate for the specific patient;
- supported by guidelines established by the relevant professional societies;
- cost-effective; and
- neither experimental nor investigational.

Our customers typically bill third-party payors for the costs and fees associated with the procedures in which our products are used. Because there is often no separate reimbursement for supplies used in surgical procedures, the additional cost associated with the use of our products can affect the profit margin of the hospital or surgery center where the procedure is performed. Some of our target customers may be unwilling to adopt our products in light of potential additional associated cost. In addition, customers that perform the procedure may be subject to reimbursement claim denials upon submission of the claim. Customers may also be subject to recovery of overpayments if a payor makes payment for the claim and subsequently determines that the payor's coding, billing or coverage policies were not followed. These events, or any other decline in the amount payors are willing to reimburse our customers, could make it difficult for existing customers to continue using or to adopt our products and could create additional pricing pressure for us. If we are forced to lower the price we charge for our products, our gross margins will decrease, which could have a material adverse effect on our business, financial condition and results of operations and impair our ability to grow our business.

Third-party payors, whether foreign or domestic, or governmental or commercial, are developing increasingly sophisticated methods of controlling healthcare costs. In addition, no uniform policy of coverage and reimbursement for procedures using our products exists among third-party payors. Therefore, coverage and reimbursement for procedures using our products can differ significantly from payor to payor. Obtaining coverage and reimbursement can be a time-consuming process that could require us to provide supporting scientific, clinical and cost-effectiveness data for the use of our products. We may not be able to provide data sufficient to satisfy governmental and third-party payors that procedures using our products should be covered and reimbursed.

Payors continually review new and existing technologies for possible coverage and can, without notice, deny or reverse coverage for new or existing products and procedures. There can be no assurance that third-party

payor policies will provide coverage for procedures in which our products are used. For instance, if NCD 240.6 is determined to exclude Medicare coverage for procedures using FlowTriever for the treatment of PE, there would be a material adverse effect on our business, financial condition and results of operations. If we are not successful in reversing existing non-coverage policies, or if third-party payors that currently cover or reimburse our products and related procedures reverse or limit their coverage in the future, or if other third-party payors issue similar policies, this could have a material adverse effect on our business.

Further, we believe that future coverage and reimbursement may be subject to increased restrictions, such as additional prior authorization requirements, both in the United States and in international markets. If Medicare no longer covers any of our products, there would be a material adverse effect on our business, financial condition and results of operations. In addition, Medicare Administrative Contractors could issue a local coverage determination decision that could restrict the patients eligible for the treatment with our products or in another manner unfavorable to our business. Third-party coverage and reimbursement for procedures using our products or any of our products in development for which we may receive regulatory clearance or approval may not be available or adequate in either the United States or international markets. Further, other VTE treatments, such as thrombolytic drugs, may be more widely covered or subject to different co-pay policies and requirements, which could impact demand for our products. If hospital, physician and/or patient demand for our products is adversely affected by third-party reimbursement policies and decisions, it could have a material adverse effect on our business, financial condition and results of operations.

The market for our products is highly competitive. Our competitors may have longer operating histories, more established products and greater resources than we do, and may be able to develop or market treatments that are safer, more effective or gain greater acceptance in the marketplace than our products.

The medical device industry is highly competitive, subject to rapid change and significantly affected by the introduction of new products and technologies and other activities of industry participants. We compete with manufacturers of thrombolytic drugs, such as Roche, and with medical device companies that manufacture thrombectomy devices and systems used to treat vascular blockages. These systems include water jets, ultrasonic acoustic field generators, aspirators, catheters and others. Our primary medical device competitors are Boston Scientific Corporation, Penumbra, AngioDynamics, Teleflex, Shandong Weigao and smaller companies that have single products or a limited range of products. Some competitors offer products for mechanical and catheter-based thrombectomy procedures, many of which are existing products for the arterial system that have been retrofitted or adjusted for the venous system. These competing technologies, other products that are in current clinical trials, new drugs or additional indications for existing drugs could demonstrate better safety, effectiveness, clinical results, lower costs or greater physician and market acceptance than our products.

We compete, or may compete in the future, against other companies which have longer, more established operating histories and significantly greater financial, technical, marketing, sales, distribution and other resources, which may prevent us from achieving significant market penetration or improved operating results. These companies may enjoy several competitive advantages, including:

- Established treatment patterns pursuant to which drugs are generally first-line or concurrent therapies for the treatment of VTE;
- Established relationships with hospitals and physicians who prescribe their drugs or are familiar with existing interventional procedures for the treatment of VTE;
- Established relationships with key stakeholders, including interventional cardiologists, interventional radiologists and vascular surgeons, referring physicians, vascular surgeons, pulmonologists, radiologists, general practitioners and administrators;
- Greater financial and human capital resources;

- Significantly greater name recognition;
- Additional lines of products, and the ability to offer rebates or bundle products to offer greater discounts or incentives to gain a competitive advantage; and
- Established sales, marketing and worldwide distribution networks.

One of the major hurdles to adoption of our products will be overcoming established treatment patterns, which will require education of physicians and supportive clinical data. However, because of the size of the market opportunity for the treatment of DVT and PE, we believe current and potential future competitors will dedicate significant resources to aggressively promote their products or develop new products or treatments. New treatment options may be developed that could compete more effectively with our products due to the prevalence of VTE and the research and technological progress that exist within the market.

We have limited experience manufacturing our products in commercial quantities and we face a number of manufacturing risks that may adversely affect our manufacturing abilities.

Our business strategy depends on our ability to manufacture our current and future products in sufficient quantities and on a timely basis to meet customer demand, while adhering to product quality standards, complying with regulatory quality system requirements and managing manufacturing costs. We have a facility located in Irvine, California, where we manufacture, assemble, inspect, test, package and ship our products. We currently produce our ClotTriever and FlowTriever products at this facility, and we do not have additional facilities. If this facility suffers damage, or a force majeure event, this could materially impact our ability to operate.

We are also subject to numerous other risks relating to our manufacturing capabilities, including:

- Quality and reliability of components, sub-assemblies and materials that we source from third-party suppliers, who are required to meet our quality specifications, almost all of whom are single source suppliers for the items and materials that they supply;
- Our inability to secure components, sub-assemblies and materials in a timely manner, in sufficient quantities or on commercially reasonable terms;
- Our inability to maintain compliance with quality system requirements or pass regulatory quality inspections;
- Our failure to increase production capacity or volumes to meet demand;
- Our inability to design or modify production processes to enable us to produce future products efficiently or implement changes in current products in response to design or regulatory requirements; and
- Difficulty identifying and qualifying, and obtaining new regulatory approvals, for alternative suppliers for components in a timely manner.

These risks are likely to be exacerbated by our limited experience with our current products and manufacturing processes. As demand for our products increases, we will have to invest additional resources to purchase components, sub-assemblies and materials, hire and train employees and enhance our manufacturing processes. If we fail to increase our production capacity efficiently, we may not be able to fill customer orders on a timely basis, our sales may not increase in line with our expectations and our operating margins could fluctuate or decline. In addition, although some future products may share product features, components, sub-assemblies

and materials with our existing products, the manufacture of these products may require modification of our current production processes or unique production processes, the hiring of specialized employees, the identification of new suppliers for specific components, sub-assemblies and materials or the development of new manufacturing technologies. It may not be possible for us to manufacture these products at a cost or in quantities sufficient to make these products commercially viable or to maintain current operating margins, all of which could have a material adverse effect on our business, financial condition and results of operations.

We depend on a limited number of single source suppliers to manufacture our components, sub-assemblies and materials, which makes us vulnerable to supply shortages and price fluctuations.

We rely on single source suppliers for the vast majority of components, sub-assemblies and materials for our products, as well as to sterilize our final assembled products before they are shipped to customers. These components, sub-assemblies and materials are critical and, for certain items, there are relatively few alternative sources of supply. These single source suppliers may be unwilling or unable to supply the necessary materials and components or manufacture and assemble our products reliably and at the levels we anticipate or that are required by the market. While our suppliers have generally met our demand for their products and services on a timely basis in the past, we cannot guarantee that they will in the future be able to meet our demand for their products, either because of acts of nature, the nature of our agreements with those suppliers or our relative importance to them as a customer, and our suppliers may decide in the future to discontinue or reduce the level of business they conduct with us.

We have not qualified or obtained necessary regulatory approvals for additional suppliers for most of these components, sub-assemblies and materials, and we do not carry a significant inventory of these items. While we believe that alternative sources of supply or sterilization may be available, we cannot be certain whether they will be available if and when we need them, or that any alternative suppliers or providers would be able to provide the quantity and quality of components, materials and sterilization that we would need to manufacture and ship our products if our existing suppliers and providers were unable to satisfy our requirements. To utilize other sources, we would need to identify and qualify new providers to our quality standards and obtain any additional regulatory approvals required to change providers, which could result in manufacturing delays and increase our expenses.

Our dependence on third-parties subjects us to a number of risks that could impact our ability to manufacture our products and harm our business, including:

- Interruption of supply or sterilization resulting from modifications to, or discontinuation of, a third party’s operations;
- Delays in product shipments resulting from uncorrected defects, reliability issues or a third party’s failure to produce components or complete sterilizations that consistently meet our quality specifications;
- Price fluctuations due to a lack of long-term supply arrangements with our third parties for key components or sterilization requirements;
- Inability to obtain adequate supply or services in a timely manner or on commercially reasonable terms;
- Difficulty identifying and qualifying alternative third parties for the supply of components or for sterilization of our products in a timely manner;
- Inability of third parties to comply with applicable provisions of the FDA’s Quality System Regulations, or QSR, or other applicable laws or regulations enforced by the FDA and state regulatory authorities;

- Inability to ensure the quality of products manufactured or sterilization conducted by third parties;
- Production delays related to the evaluation and testing of products and services from alternative third parties and corresponding regulatory qualifications; and
- Delays in delivery by our suppliers and service providers.

Although we require our third-party suppliers and providers to supply us with components and services that meet our specifications and other applicable legal and regulatory requirements in our agreements and contracts, and we perform incoming inspection, testing or other acceptance activities to ensure the components meet our requirements, there is a risk that these third parties will not always act consistent with our best interests, and may not always supply components or provide services that meet our requirements or in a timely manner.

If we fail to comply with our obligations in our intellectual property licenses, including our agreements with Inceptus Medical LLC, we could lose license rights that are important to our business.

We are a party to an amended and restated technology agreement with Inceptus Medical, LLC, or Inceptus, under which Inceptus has granted us a worldwide, exclusive (even as to Inceptus), royalty-free license to certain of its intellectual property related to the braiding technologies underlying its patent in the defined field of use for the treatment of embolism and thrombosis in human vasculature other than carotid arteries, coronary vasculature and cerebral vasculature. In addition, we are party to a sublicense agreement with Inceptus, pursuant to which Inceptus has granted us a non-transferable, worldwide, exclusive sublicense to its patent rights related to the tubular braiding for the non-surgical removal of clots and, with respect to our ClotTriever, treatment of embolism and thrombosis in human vasculature other than carotid arteries, coronary vasculature and cerebral vasculature, which rights were originally granted to Inceptus pursuant to an intellectual property license agreement with Drexel University. Both of our products use braiding technology. For example, our ClotTriever uses the sublicensed tubular braiding technology for the clot collection bag, which provides embolic protection and helps to secure and remove clot during procedures to treat DVT.

These agreements impose, and we expect that any future license agreements will impose, certain diligence, royalty and other obligations on us. Pursuant to the sublicense agreement with Inceptus, we are obligated to pay a quarterly royalty, calculated as a low single-digit percentage of net sales of implantable and non-implantable licensed products, which includes our ClotTriever product, with a minimum quarterly payment amount of $1,500. Additionally, we are obligated to pay Inceptus a small administration fee within 30 days of the beginning of each quarter.

If we fail to comply with the terms and obligations of our intellectual property licenses, including the payment obligations described above, our rights may be reduced or terminated, in which event we may not be able to develop and market any product that is covered by our intellectual property licenses. In addition, Inceptus may terminate the sublicense agreement if we cease bona fide development and commercialization of all licensed products for a period of six consecutive months. The sublicense agreement with Inceptus automatically terminates upon the termination of the intellectual property license agreement with Drexel University, and we cannot guarantee Inceptus' compliance with the terms of such intellectual property license agreement. In the event of termination of the intellectual property license agreement with Drexel University, Drexel University will, in good faith, grant to us a direct license on terms no less favorable than those given to Inceptus by Drexel University by Inceptus. Termination of this license for failure to comply with such obligations or for other reasons, or reduction or elimination of our licensed rights under it or any other license, may result in our having to negotiate new or reinstated licenses on less favorable terms or our not having sufficient intellectual property rights to operate our business or cause us to enter into a new license for a similar intellectual property or braiding technology. The occurrence of such events could materially harm our business and financial condition.

The risks described elsewhere pertaining to our intellectual property rights also apply to the intellectual property rights that we in-license and sublicense, and any failure by us or our licensors, including Inceptus and

Drexel University, to obtain, maintain, defend and enforce these rights could have a material adverse effect on our business. In some cases, including in the case of the intellectual property licensed to us by Inceptus and Drexel University, we do not have control over the prosecution, maintenance or enforcement of the intellectual property that we license or sublicense, and may not have sufficient ability to provide input into the prosecution, maintenance and defense process with respect to such intellectual property, and our licensors may fail to take the steps that we believe are necessary or desirable in order to obtain, maintain, defend and enforce the licensed intellectual property.

ClotTriever and FlowTriever involve risks and have contraindications, which may limit adoption.

Risks of catheter-based thrombectomy procedures with our products include the risks that are common to endovascular procedures, including perforation, dissection, embolization, bleeding, infection and nerve injury. DVT procedures also include the additional risks of causing PE. We are aware of certain characteristics and features of catheter-based thrombectomy procedures that may prevent widespread market adoption, including the fact that physicians would need to adopt and learn a new procedure, and that a degree of training for physicians will be required to enable them to effectively operate our products.

Our current products are contraindicated, and therefore should not be used, in certain circumstances for certain patients. Our ClotTriever is contraindicated for use without anticoagulation; use in the cerebral, carotid or coronary vasculature; use in the pulmonary arteries; use in endarterectomy procedures or vessel dilation; removal of fibrous, adherent or calcified material; use in vessels less than six millimeters in diameter; and use with power injectors. Our FlowTriever is contraindicated for use in the cerebral, carotid or coronary vasculature; use in endarterectomy procedures or vessel dilation; removal of fibrous, adherent or calcified material; use with power injectors; and use in vessels less than six millimeters in diameter, with the largest 24 French catheter contraindicated for use in vessels less than eight millimeters in diameter.

Our results of operations could be materially harmed if we are unable to accurately forecast customer demand for our products and manage our inventory.

We seek to maintain sufficient levels of inventory in order to protect ourselves from supply interruptions, but keep limited components, sub-assemblies, materials and finished products on hand. To ensure adequate inventory supply and manage our operations with our third-party suppliers, we forecast anticipated materials requirements and demand for our products in order to predict inventory needs and then place orders with our suppliers based on these predictions. Our ability to accurately forecast demand for our products could be negatively affected by many factors, including our limited historical commercial experience, rapid growth, failure to accurately manage our expansion strategy, product introductions by competitors, an increase or decrease in customer demand for our products, our failure to accurately forecast customer acceptance and adoption of new products, unanticipated changes in general market conditions or regulatory matters and weakening of economic conditions or consumer confidence in future economic conditions.

Inventory levels in excess of customer demand may result in a portion of our inventory becoming obsolete or expiring, as well as inventory write-downs or write-offs, which would negatively impact our gross margins and impair the strength of our brand. Conversely, if we underestimate customer demand for our products or our own requirements for components, sub-assemblies and materials, our third-party suppliers may not be able to deliver components, sub-assemblies and materials to meet our requirements, which could result in inadequate inventory levels or interruptions, delays or cancellations of deliveries to our customers, any of which would damage our reputation, customer relationships and business. In addition, several components, sub-assemblies and materials incorporated into our products require lengthy order lead times, and additional supplies or materials or additional manufacturing capacity may not be available when required on terms that are acceptable to us, or at all, and our third-party suppliers may not be able to allocate sufficient capacity in order to meet our increased requirements, any of which could have an adverse effect on our ability to meet customer demand for our products and our results of operations.

Our quarterly and annual results may fluctuate significantly and may not fully reflect the underlying performance of our business.

Our quarterly and annual results of operations, including our revenue, profitability and cash flow, may vary significantly in the future, and period-to-period comparisons of our operating results may not be meaningful. Accordingly, the results of any one quarter or period should not be relied upon as an indication of future performance. Our quarterly and annual financial results may fluctuate as a result of a variety of factors, many of which are outside our control and, as a result, may not fully reflect the underlying performance of our business. Fluctuations in quarterly and annual results may decrease the value of our common stock. Because our quarterly results may fluctuate, period-to-period comparisons may not be the best indication of the underlying results of our business and should only be relied upon as one factor in determining how our business is performing. These fluctuations may occur due to a variety of factors, many of which are outside of our control, including, but not limited to:

- the level of demand for our products which may vary significantly;
- expenditures that we may incur to acquire, develop or commercialize additional products and technologies;
- sales and marketing efforts and expenses;
- pricing pressures;
- the rate at which we grow our sales force and the speed at which newly hired salespeople become effective;
- changes in the productivity of our sales force;
- our ability to expand the geographic reach of our sales force;
- the degree of competition in our industry and any change in the competitive landscape of our industry, including consolidation among our competitors or future partners;
- changes in coverage and reimbursement policies with respect to our products, and potential future products that compete with our products;
- positive or negative coverage in the media or clinical publications of our products or products of our competitors or our industry;
- the timing of customer orders or medical procedures using our products and the number of available selling days in any quarterly period, which can be impacted by holidays, the mix of products sold and the geographic mix of where products are sold;
- the timing and cost of, and level of investment in, research, development, licenses, regulatory approval, commercialization activities, acquisitions and other strategic transactions, or other significant events relating to our products, which may change from time to time;
- the cost of manufacturing our products, which may vary depending on the quantity of production and the terms of our agreements with third-party suppliers; and
- future accounting pronouncements or changes in our accounting policies.

Our long-term growth depends on our ability to enhance our products, expand our indications and develop and commercialize additional products in a timely manner. If we fail to identify, acquire and develop other products, we may be unable to grow our business.

The market for our products is highly competitive, dynamic, and marked by rapid and substantial technological development and product innovation. New entrants or existing competitors could attempt to develop products that compete directly with ours. Demand for our products and future related products could be diminished by equivalent or superior products and technologies offered by competitors. If we are unable to innovate successfully, our products could become obsolete and our revenue would decline as our customers purchase our competitors' products. Developing products is expensive and time-consuming and could divert management's attention away from our core business. The success of any new product offering or product enhancements to our solution will depend on several factors, including our ability to:

- assemble sufficient resources to acquire or discover additional products;
- properly identify and anticipate physician and patient needs;
- develop and introduce new products and product enhancements in a timely manner;
- avoid infringing upon the intellectual property rights of third-parties;
- demonstrate, if required, the safety and efficacy of new products with data from preclinical studies and clinical trials;
- obtain the necessary regulatory clearances or approvals for expanded indications, new products or product modifications;
- be fully FDA-compliant with marketing of new devices or modified products;
- produce new products in commercial quantities at an acceptable cost;
- provide adequate training to potential users of our products;
- receive adequate coverage and reimbursement for procedures performed with our products; and
- develop an effective and dedicated sales and marketing team.

If we are unable to develop or improve products, applications or features due to constraints, such as insufficient cash resources, high employee turnover, inability to hire personnel with sufficient technical skills or a lack of other research and development resources, we may not be able to maintain our competitive position compared to other companies. Furthermore, many of our competitors devote a considerably greater amount of funds to their research and development programs than we do, and those that do not may be acquired by larger companies that would allocate greater resources to research and development programs. Our failure or inability to devote adequate research and development resources or compete effectively with the research and development programs of our competitors could harm our business.

In addition, we may choose to focus our efforts and resources on potential products or indications that ultimately prove to be unsuccessful, or to license or purchase a marketed product that does not meet our financial expectations. As a result, we may fail to capitalize on viable commercial products or profitable market opportunities, be required to forego or delay pursuit of opportunities with other potential products or other diseases that may later prove to have greater commercial potential, or relinquish valuable rights to such potential products through collaboration, licensing or other royalty arrangements in cases in which it would have been advantageous for us to retain sole development and commercialization rights, which could adversely impact our business, financial condition and results of operations.

Changes in public health insurance coverage and government reimbursement rates for our products could affect the adoption of our products and our future revenue.

The federal government is considering ways to change, and has changed, the manner in which healthcare services are paid for in the United States. Individual states may also enact legislation that impacts Medicaid payments to hospitals and physicians. In addition, the United States Department of Health and Human Services Centers for Medicare and Medicaid Services, or CMS, establishes Medicare payment levels for hospitals and physicians on an annual basis, which can increase or decrease payment to such entities. Internationally, medical reimbursement systems vary significantly from country to country, with some countries limiting medical centers' spending through fixed budgets, regardless of levels of patient treatment, and other countries requiring application for, and approval of, government or third-party reimbursement. Even if we succeed in bringing our products to market in additional foreign countries, uncertainties regarding future healthcare policy, legislation and regulation, as well as private market practices, could affect our ability to sell our products in commercially acceptable quantities at acceptable prices.

Cost-containment efforts of our customers, purchasing groups and governmental organizations could have a material adverse effect on our sales and profitability. Consolidation in the healthcare industry or group purchasing organizations could lead to demands for price concessions, which may affect our ability to sell our products at prices necessary to support our current business strategies.

In an effort to reduce costs, many hospitals in the United States, including some of our customers, are members of Group Purchasing Organizations, or GPOs, and Integrated Delivery Networks, or IDNs. GPOs and IDNs negotiate pricing arrangements with medical device companies and distributors and then offer these negotiated prices to affiliated hospitals and other members. GPOs and IDNs typically award contracts on a category-by-category basis through a competitive bidding process. Bids are generally solicited from multiple providers with the intention of driving down pricing or reducing the number of vendors. Due to the highly competitive nature of the GPO and IDN contracting processes, we may not be able to obtain new, or maintain existing, contract positions with major GPOs and IDNs. Furthermore, the increasing leverage of organized buying groups may reduce market prices for our products, thereby reducing our revenue and margins.

While having a contract with a GPO or IDN for a given product category can facilitate sales to members of that GPO or IDN, such contract positions can offer no assurance that any level of sales will be achieved, as sales are typically made pursuant to individual purchase orders. Even when a provider is the sole contracted supplier of a GPO or IDN for a certain product category, members of the GPO or IDN are generally free to purchase from other suppliers. Furthermore, GPO and IDN contracts typically are terminable without cause by the GPO or IDN upon 60 to 90 days' notice. Accordingly, the members of such groups may choose to purchase alternative products due to the price or quality offered by other companies, which could result in a decline in our revenue.

Healthcare costs have risen significantly over the past decade, which has resulted in or led to numerous cost reform initiatives by legislators, regulators and third-party payors. Cost reform has triggered a consolidation trend in the healthcare industry to aggregate purchasing power, which may create more requests for pricing concessions in the future. Additionally, GPOs, IDNs and large single accounts may continue to use their market power to consolidate purchasing decisions for hospitals. We expect that market demand, government regulation, third-party coverage and reimbursement policies and societal pressures will continue to change the healthcare industry worldwide, resulting in further business consolidations and alliances among our customers, which may exert further downward pressure on the prices of our products.

We may not be able to achieve or maintain satisfactory pricing and margins for our products.

Manufacturers of medical devices have a history of price competition, and we can give no assurance that we will be able to achieve satisfactory prices for our products or maintain prices at the levels we have historically

achieved. Any decline in the amount that payors reimburse our customers for our products could make it difficult for customers to continue using, or to adopt, our products and could create additional pricing pressure for us. If we are forced to lower the price we charge for our products, or if we add more components to our systems, our gross margins will decrease, which will adversely affect our ability to invest in and grow our business. If we are unable to maintain our prices, or if our costs increase and we are unable to offset such increase with an increase in our prices, our margins could erode. We will continue to be subject to significant pricing pressure, which could harm negatively affect our business, financial condition and results of operations.

We may be unable to manage the anticipated growth of our business.

In order to grow, we need to expand our sales personnel, manufacturing operations and general and administrative infrastructure. In addition to the need to scale our organization, future growth will impose significant added responsibilities on management, including the need to identify, recruit, train and integrate additional employees. Rapid expansion in personnel could mean that less experienced people manufacture, market and sell our products, which could result in inefficiencies and unanticipated costs, reduced quality and disruptions to our operations. In addition, rapid and significant growth may strain our administrative and operational infrastructure. Our ability to manage our business and growth will require us to continue to improve our operational, financial and management controls, reporting systems and procedures. If we are unable to manage our growth effectively, it may be difficult for us to execute our business strategy and our business could be harmed.

As demand for our products or any of our future products increases, we will need to continue to scale our capacity, expand customer service, billing and systems processes and enhance our internal quality assurance program. We cannot assure you that any increases in scale, related improvements and quality assurance will be successfully implemented or that appropriate personnel will be available to facilitate the growth of our business. Failure to implement necessary procedures, transition to new processes or hire the necessary personnel could result in higher costs of processing data or inability to meet increased demand. For example, we recently implemented a new enterprise resource planning, or ERP, system that facilitates orderly maintenance of books and records and the preparation of financial statements. ERP system implementations are complex projects that require significant investment of capital and human resources, the reengineering of many business processes and the attention of many employees who would otherwise be focused on other aspects of our business. The transition to our new ERP system may be disruptive to our business if it does not work as planned or if we experience issues related to the implementation. If we encounter difficulty meeting market demand, quality standards or physician expectations, our reputation could be harmed and our business could suffer.

We may experience delays in production or an increase in costs if our single manufacturing facility is damaged or becomes inoperable, or if we are required to vacate our facility.

We currently maintain our research and development, manufacturing and administrative operations in a building located in Irvine, California, which is situated on or near earthquake fault lines, and we do not have additional facilities. Should our building be significantly damaged or destroyed by natural or man-made disasters, such as earthquakes, fires or other events, it could take months to relocate or rebuild, during which time our employees may seek other positions, our research, development and manufacturing capabilities would cease or be delayed and our products may be unavailable. Moreover, the use of a new facility or new manufacturing, quality control, or environmental control equipment or systems may require regulatory review and approval of the new facility prior to commencing full-scale production and commercialization. Because of the time required to register and/or authorize manufacturing in a new facility under FDA, the State of California and non-U.S. regulatory requirements, we may not be able to resume production on a timely basis even if we are able to replace production capacity in the event that we lose our manufacturing capacity. While we maintain property and business interruption insurance, such insurance has limits and would only cover the cost of rebuilding and relocating and lost revenue, but not general damage or losses caused by earthquakes or losses we may suffer due to our products being replaced by competitors' products. The inability to perform our research, development and

manufacturing activities, combined with our limited and localized inventory of materials and components and manufactured products, may cause physicians to discontinue using our products or harm our reputation, and we may be unable to reestablish relationships with such physicians in the future. Consequently, a catastrophic event at our facility could have a material adverse effect on our business, financial condition and results of operations.

Furthermore, the current lease for our manufacturing facility expires in September 2024, and we may be unable to renew our lease or find a new facility on commercially reasonable terms, or at all. If we were unable or unwilling to renew at the proposed rates, relocating our manufacturing facility would involve significant expense in connection with the movement and installation of key manufacturing equipment and any necessary recertification with regulatory bodies, and we cannot assure investors that such a move would not delay or otherwise adversely affect our manufacturing activities or operating results. If our manufacturing capabilities were impaired by our move, we may not be able to manufacture and ship our products in a timely manner, which would adversely impact our business, financial condition and results of operations.

Performance issues, service interruptions or price increases by our shipping carriers could negatively affect our business, financial condition and results of operations and harm our reputation and the relationship between us and the hospitals we work with.

Expedited, reliable shipping is essential to our operations. We rely heavily on providers of transport services for reliable and secure point-to-point transport of our ClotTriever or FlowTriever products to our customers and for tracking of these shipments. Should a carrier encounter delivery performance issues such as loss, damage or destruction of any systems, it would be costly to replace such systems in a timely manner and such occurrences may damage our reputation and lead to decreased demand for our solution and increased cost and expense to our business. In addition, any significant increase in shipping rates could adversely affect our operating margins and results of operations. Similarly, strikes, severe weather, natural disasters or other service interruptions affecting delivery services we use would adversely affect our ability to process orders for our ClotTriever or FlowTriever products on a timely basis.

Our products may become obsolete in the future.

The medical device industry is characterized by rapid and significant change. There can be no assurance that other companies will not succeed in developing or marketing devices or products that are more effective than our products or that would render our products obsolete or noncompetitive. Additionally, new surgical procedures, medications and other therapies could be developed that replace or reduce the importance of our products. Accordingly, our success will depend in part on our ability to respond quickly to medical and other changes through the development and introduction of new products. Product development involves a high degree of risk, and there can be no assurance that our new product development efforts will result in any commercially successful products.

We provide a limited warranty for our products.

We provide a limited warranty that our products are free of material defects and conform to specifications, and offer to repair, replace or refund the purchase price of defective products. As a result, we bear the risk of potential warranty claims on our products. In the event that we attempt to recover some or all of the expenses associated with a warranty claim against us from our suppliers or vendors, we may not be successful in claiming recovery under any warranty or indemnity provided to us by such suppliers or vendors and any recovery from such vendor or supplier may not be adequate. In addition, warranty claims brought by our customers related to third-party components may arise after our ability to bring corresponding warranty claims against such suppliers expires, which could result in costs to us.

We may enter into collaborations, in-licensing arrangements, joint ventures, strategic alliances or partnerships with third-parties that may not result in the development of commercially viable products or product improvements or the generation of significant future revenues.

In the ordinary course of our business, we may enter into collaborations, in-licensing arrangements, joint ventures, strategic alliances, partnerships or other arrangements to develop new products or product improvements and to pursue new markets. Proposing, negotiating and implementing collaborations, in-licensing arrangements, joint ventures, strategic alliances or partnerships may be a lengthy and complex process. Other companies, including those with substantially greater financial, marketing, sales, technology or other business resources, may compete with us for these opportunities or arrangements. We may not identify, secure, or complete any such transactions or arrangements in a timely manner, on a cost-effective basis, on acceptable terms or at all. We have limited institutional knowledge and experience with respect to these business development activities, and we may also not realize the anticipated benefits of any such transaction or arrangement. In particular, these collaborations may not result in the development of products that achieve commercial success or viable product improvements or result in significant revenues and could be terminated prior to developing any products.

Additionally, we may not be in a position to exercise sole decision making authority regarding the transaction or arrangement, which could create the potential risk of creating impasses on decisions, and our future collaborators may have economic or business interests or goals that are, or that may become, inconsistent with our business interests or goals. It is possible that conflicts may arise with our collaborators, such as conflicts concerning the achievement of performance milestones, or the interpretation of significant terms under any agreement, such as those related to financial obligations or the ownership or control of intellectual property developed during the collaboration. If any conflicts arise with any future collaborators, they may act in their self-interest, which may be adverse to our best interest, and they may breach their obligations to us. In addition, we may have limited control over the amount and timing of resources that any future collaborators devote to our or their future products.

Disputes between us and our collaborators may result in litigation or arbitration which would increase our expenses and divert the attention of our management. These arrangements may consume management time and resources to establish and maintain. Further, these transactions and arrangements will be contractual in nature and will generally be terminable under the terms of the applicable agreements and, in such event, we may not continue to have rights to the products relating to such transaction or arrangement or may need to purchase such rights at a premium. If we enter into in-bound intellectual property license agreements, we may not be able to fully protect the licensed intellectual property rights or maintain those licenses. Future licensors could retain the right to prosecute and defend the intellectual property rights licensed to us, in which case we would depend on the ability of our licensors to obtain, maintain and enforce intellectual property protection for the licensed intellectual property. These licensors may determine not to pursue litigation against other companies or may pursue such litigation less aggressively than we would. Further, entering into such license agreements could impose various diligence, commercialization, royalty or other obligations on us. Future licensors may allege that we have breached our license agreement with them, and accordingly seek to terminate our license, which could adversely affect our competitive business position and harm our business prospects.

Our insurance policies are expensive and protect us only from some business risks, which leaves us exposed to significant uninsured liabilities.

We do not carry insurance for all categories of risk that our business may encounter. Although we carry product liability insurance in the United States, we can give no assurance that such coverage will be available or adequate to satisfy any claims. Product liability insurance is expensive, subject to significant deductibles and exclusions, and may not be available on acceptable terms, if at all. If we are unable to obtain or maintain insurance at an acceptable cost or on acceptable terms with adequate coverage or otherwise protect against potential product liability claims, we could be exposed to significant liabilities. A product liability claim, recall

or other claim with respect to uninsured liabilities or for amounts in excess of insured liabilities could have a material adverse effect on our business, financial condition and results of operations. Defending a suit, regardless of its merit or eventual outcome, could be costly, could divert management's attention from our business and might result in adverse publicity, which could result in reduced acceptance of our products in the market, product recalls or market withdrawals.

We do not carry specific hazardous waste insurance coverage, and our insurance policies generally exclude coverage for damages and fines arising from hazardous waste exposure or contamination. Accordingly, in the event of contamination or injury, we could be held liable for damages or be penalized with fines in an amount exceeding our resources, and our clinical trials or regulatory approvals could be suspended.

We also expect that operating as a public company will make it more difficult and more expensive for us to obtain director and officer liability insurance, and we may be required to accept reduced policy limits and coverage or incur substantially higher costs to obtain the same or similar coverage. As a result, it may be more difficult for us to attract and retain qualified people to serve on our board of directors, our board committees or as executive officers. We do not know, however, if we will be able to maintain existing insurance with adequate levels of coverage. Any significant uninsured liability may require us to pay substantial amounts, which would negatively affect our business, financial condition and results of operations.

The failure of ClotTriever or FlowTriever to meet patient expectations or the occurrence of adverse events from ClotTriever or FlowTriever could impair our financial performance.

Our future success depends in part upon patients having an experience with our products that meets their expectations in order to increase physician demand for our products as a result of positive feedback, social media and word-of-mouth. Patients may be dissatisfied if their expectations of the procedure and results, among other things, are not met. Despite what we believe to be the safety profile of our products, patients may experience adverse events such as venous dissection or puncture, embolization of clot, stroke, heart attack and death. If the results of catheter-based thrombectomy procedures with our products do not meet the expectations of the patients, or the patient experiences adverse events, it could discourage the patient and treating physician from referring our products to others. Dissatisfied patients may express negative opinions through social media. Any failure to meet patient expectations and any resulting negative publicity could harm our reputation and future sales.

We depend on our senior management team and the loss of one or more key employees or an inability to attract and retain highly skilled employees will negatively affect our business, financial condition and results of operations.

Our success depends largely on the continued services of key members of our executive management team and others in key management positions. For example, the services of William Hoffman, our Chief Executive Officer, Andrew Hykes, our Chief Commercial Officer, Mitchell Hill, our Chief Financial Officer, and Dr. Thomas Tu, our Chief Medical Officer, are essential to driving adoption of our products, executing on our corporate strategy and ensuring the continued operations and integrity of financial reporting within our company. In addition, the services of our sales professionals are critical to driving the growth in sales of our products. Any of our employees may terminate their employment with us at any time. We do not currently maintain key person life insurance policies on any of our employees. If we lose one or more key employees, we may experience difficulties in competing effectively, developing our technologies and implementing our business strategy.

In addition, our research and development programs, clinical operations and sales efforts depend on our ability to attract and retain highly skilled engineers and sales professionals. We may not be able to attract or retain qualified engineers and sales professionals in the future due to the competition for qualified personnel. We have from time to time experienced, and we expect to continue to experience, difficulty in hiring and retaining employees with appropriate qualifications. Many of the companies with which we compete for experienced

personnel have greater resources than we do. If we hire employees from competitors or other companies, their former employers may attempt to assert that these employees or we have breached legal obligations, resulting in a diversion of our time and resources and, potentially, damages.

In addition, job candidates and existing employees often consider the value of the stock awards they receive in connection with their employment. If the perceived benefits of our stock awards decline, either because we are a public company or for other reasons, it may harm our ability to recruit and retain highly skilled employees. Many of our employees have become or will soon become vested in a substantial amount of our common stock or a number of common stock options. Our employees may be more likely to leave us if the shares they own have significantly appreciated in value relative to the original purchase prices of the shares, or if the exercise prices of the options that they hold are significantly below the market price of our common stock, particularly after the expiration of the lock-up agreements described herein. Our future success also depends on our ability to continue to attract and retain additional executive officers and other key employees. If we fail to attract new personnel or fail to retain and motivate our current personnel, it will negatively affect our business, financial condition and results of operations.

The use, misuse or off-label use of our products may result in injuries that lead to product liability suits, which could be expensive, divert management's attention and harm our reputation and business. We may not be able to maintain adequate product liability insurance.

Our products have been cleared by the FDA for specific indications and meet certain treatment parameters. If physicians expand the patient population in which they elect to use our products such that it is outside of the intended use that has been cleared by the FDA, then such use, misuse or off-label use of our products may result in outcomes and adverse events including death, potentially leading to product liability claims. Our products are not indicated for use in all patients with VTE and therefore cannot be marketed or advertised in the United States for certain uses without additional clearances from the FDA. However, we cannot prevent a physician from using our products for off-label applications or using components or products that are not our products when performing procedures with our products. There may be increased risk of injury to patients if physicians attempt to use our devices off-label. In addition, we cannot guarantee that physicians are trained by us or their peers prior to utilizing our products. Complications resulting from the use of our products off-label or use by physicians who have not been trained appropriately, or at all, may not effectively treat the applicable conditions and may expose us to product liability claims or litigation by our customers or their patients and may harm our reputation.

We currently market our ClotTriever product, which has been cleared by the FDA for the non-surgical removal of soft thrombi and emboli from blood vessels in the peripheral vasculature, for use in the peripheral vasculature. Although we believe that the current FDA-cleared indication covers the use of the ClotTriever for the treatment of DVT, we are in the process of seeking clearance for a specific indication for treatment of DVT and removal of the word "soft." However, the FDA may determine that the clinical data we have provided or will provide is insufficient to support this indication and therefore not grant clearance. Further, the FDA may disagree with our belief that our existing indication is broad enough to cover indication for treatment of DVT, in which case the FDA could assert that we are marketing the product outside of its cleared indication for use.

Moreover, if the FDA or any foreign regulatory body determines that our promotional materials, activities or training constitute promotion of an off-label use, they could request that we modify our training or promotional materials or activities or subject us to regulatory or enforcement actions, including the issuance or imposition of an untitled letter, which is used for violators that do not necessitate a warning letter, injunction, seizure, civil fine or criminal penalties. It is also possible that other federal, state or foreign enforcement authorities might take action under other regulatory authority, such as false claims laws, if they consider our business activities to constitute promotion of an off-label use, which could result in significant penalties, including, but not limited to, criminal, civil and administrative penalties, damages, fines, disgorgement, exclusion from participation in government healthcare programs and the curtailment of our operations. The federal

government has levied large civil and criminal fines and/or other penalties against companies for alleged improper promotion and has investigated, prosecuted, and/or enjoined several companies from engaging in off-label promotion.

In addition, if our products are defectively designed, manufactured or labeled, contain defective components or are misused, we may become subject to costly litigation initiated by physicians, hospitals or patients. Product liability claims are especially prevalent in the medical device industry and could harm our reputation, divert management's attention from our core business, be expensive to defend and may result in sizable damage awards against us. Although we maintain product liability insurance, we may not have sufficient insurance coverage for future product liability claims. We may not be able to obtain insurance in amounts or scope sufficient to provide us with adequate coverage against all potential liabilities. Any product liability claims brought against us, with or without merit, could increase our product liability insurance rates or prevent us from securing continuing coverage, harm our reputation, significantly increase our expenses, and reduce product sales. Product liability claims could cause us to incur significant legal fees and deductibles and claims in excess of our insurance coverage would be paid out of cash reserves, harming our financial condition and operating results.

We may need additional funding beyond the proceeds of this offering to finance our planned operations, and may not be able to raise capital when needed, which could force us to delay, reduce or eliminate our product development programs and commercialization efforts.

Since inception, we have incurred significant net losses and expect to continue to incur net losses for the foreseeable future. Since our inception, our operations have been financed primarily by net proceeds from the sale of our convertible preferred stock in private placements, indebtedness and, to a lesser extent, product revenue from sales of our ClotTriever or FlowTriever products. As of December 31, 2019, we had $23.6 million in cash and cash equivalents, and an accumulated deficit of $41.2 million. Based on our current planned operations, we expect that our cash and cash equivalents and available borrowings will enable us to fund our operating expenses for at least 12 months from the date hereof. We have based these estimates on assumptions that may prove to be wrong, and we could utilize our available capital resources sooner than we expect.

We expect to continue to invest in clinical trials and registries that are designed to provide clinical evidence of the safety and efficacy of our products, expanding our sales and marketing organization, and research and development of product improvements and future products. Moreover, we expect to incur additional expenses associated with operating as a public company, including legal, accounting, insurance, exchange listing and SEC compliance, investor relations and other expenses. Because of these and other factors, we expect to continue to incur net losses and negative cash flows from operations for the foreseeable future. Our future funding requirements will depend on many factors, including:

- The degree and rate of market acceptance of our products and catheter-based thrombectomy procedures;
- Whether we acquire third-party companies, products or technologies;
- Repayment of debt;
- The scope and timing of investment in our sales force and expansion of our commercial organization;
- The scope, rate of progress and cost of our current or future clinical trials and registries;
- The cost of our research and development activities;
- The cost and timing of additional regulatory clearances or approvals;

- The costs associated with any product recall that may occur;
- The costs of attaining, defending and enforcing our intellectual property rights;
- The terms and timing of any other collaborative, licensing and other arrangements that we may establish;
- The emergence of competing technologies or other adverse market developments; and
- The rate at which we expand internationally.

We may seek to raise additional capital through equity offerings or debt financings and such additional financing may not be available to us on acceptable terms, or at all. In addition, any additional equity or debt financing that we raise may contain terms that are not favorable to us or our stockholders. For example, if we raise funds by issuing equity or equity-linked securities, the issuance of such securities could result in dilution to our stockholders. Any equity securities issued may also provide for rights, preferences or privileges senior to those of holders of our common stock. In addition, the issuance of additional equity securities by us, or the possibility of such issuance, may cause the market price of our common stock to decline, and the price per share at which we sell additional shares of our common stock, or securities convertible into or exercisable or exchangeable for shares of our common stock, in future transactions may be higher or lower than the price per share paid by investors in this offering.

In addition, the terms of debt securities issued or borrowings could impose significant restrictions on our operations including restrictive covenants, such as limitations on our ability to incur additional debt or issue additional equity, limitations on our ability to pay dividends, limitations on our ability to acquire or license intellectual property rights, and other operating restrictions that could adversely affect our ability to conduct our business. In the event that we enter into collaborations or licensing arrangements to raise capital, we may be required to accept unfavorable terms, such as relinquishment or licensing of certain technologies or products that we otherwise would seek to develop or commercialize ourselves, or reserve for future potential arrangements when we might otherwise be able to achieve more favorable terms. In addition, we may be forced to work with a partner on one or more of our products or market development programs, which could lower the economic value of those programs to us.

If we are unable to obtain adequate financing on terms satisfactory to us when we require it, we may terminate or delay the development of one or more of our products, delay clinical trials necessary to market our products, or delay establishment of sales and marketing capabilities or other activities necessary to commercialize our products. If this were to occur, our ability to grow and support our business and to respond to market challenges could be significantly limited, which could have a material adverse effect on our business, financial condition and results of operations.

We have a significant amount of debt, which may affect our ability to operate our business and secure additional financing in the future.

In December 2019, we prepaid and terminated our amended and restated loan and security agreement with East West Bank, or the Amended and Restated EWB Loan Agreement, and concurrently entered into a $40 million credit facility with Signature Bank, or the SB Credit Facility. The SB Credit Facility consists of a term loan of up to $25 million, which bears interest at an annual rate equal to the greater of 5.50% or Signature Bank’s most recently announced prime rate plus 0.50%, and a revolving line of credit of $15 million, which bears interest at an annual rate equal to the greater of 5.0% or Signature Bank’s most recently announced prime rate. As of December 31, 2019, we had an aggregate of approximately $20.0 million in principal outstanding under the SB Credit Facility. We must make interest payments under the SB Credit Facility, which has diverted and will continue to divert resources from other activities. For the year ended December 31, 2019, we incurred interest

expense of $0.9 million related to our debt agreements, which included payments made under the Amended and Restated EWB Loan Agreement and, beginning in December 2019, the SB Credit Facility. Our obligations under the SB Credit Facility are collateralized by substantially all of our assets, excluding intellectual property, and we are subject to customary financial and operating covenants limiting our ability to, among other things, relocate or dispose of assets, undergo a change in control, merge or consolidate, enter into certain transactions with affiliates, make acquisitions, incur debt, pay dividends, grant liens, store certain amounts of inventory or equipment with third parties and make investments, in each case subject to certain exceptions. The covenants related to the SB Credit Facility, as well as any future financing agreements into which we may enter, may restrict our ability to finance our operations and engage in, expand or otherwise pursue our business activities and strategies.

While we have not previously breached and are not currently in breach of these or any other covenants contained in our SB Credit Facility or other debt arrangements, there can be no guarantee that we will not breach these covenants in the future. Our ability to comply with these covenants may be affected by events beyond our control, and future breaches of any of these covenants could result in a default under the SB Credit Facility. If not waived, future defaults could cause all of the outstanding indebtedness under the SB Credit Facility to become immediately due and payable and terminate commitments to extend further credit and foreclose on the collateral granted to it to collateralize such indebtedness. If we do not have or are unable to generate sufficient cash available to repay our debt obligations when they become due and payable, either upon maturity or in the event of a default, our assets could be foreclosed upon and we may not be able to obtain additional debt or equity financing on favorable terms, if at all, which may negatively impact our ability to operate and continue our business as a going concern.

In order to service this indebtedness and any additional indebtedness we may incur in the future, we need to generate cash from our operating activities. Our ability to generate cash is subject, in part, to our ability to successfully execute our business strategy, as well as general economic, financial, competitive, regulatory and other factors beyond our control. We cannot assure you that our business will be able to generate sufficient cash flow from operations or that future borrowings or other financings will be available to us in an amount sufficient to enable us to service our indebtedness and fund our other liquidity needs. To the extent we are required to use cash from operations or the proceeds of any future financing to service our indebtedness instead of funding working capital, capital expenditures or other general corporate purposes, we will be less able to plan for, or react to, changes in our business, industry and in the economy generally. This may place us at a competitive disadvantage compared to our competitors that have less indebtedness.

We may acquire other companies or technologies, which could fail to result in a commercial product or net sales, divert our management's attention, result in additional dilution to our stockholders and otherwise disrupt our business.

Although we currently have no agreements or commitments to complete any such transactions and are not involved in negotiations to do so, we may in the future seek to acquire or invest in businesses, applications or technologies that we believe could complement or expand our portfolio, enhance our technical capabilities or otherwise offer growth opportunities. However, we cannot assure you that we would be able to successfully complete any acquisition we choose to pursue, or that we would be able to successfully integrate any acquired business, product or technology in a cost-effective and non-disruptive manner. The pursuit of potential acquisitions may divert the attention of management and cause us to incur various costs and expenses in identifying, investigating and pursuing suitable acquisitions, whether or not they are consummated. We may not be able to identify desirable acquisition targets or be successful in entering into an agreement with any particular target or obtain the expected benefits of any acquisition or investment.

To date, the growth of our operations has been largely organic, and we have limited experience in acquiring other businesses or technologies. We may not be able to successfully integrate any acquired personnel, operations and technologies, or effectively manage the combined business following an acquisition. Acquisitions

could also result in dilutive issuances of equity securities, the use of our available cash, or the incurrence of debt, which could harm our operating results. In addition, if an acquired business fails to meet our expectations, our business, financial condition and results of operations may be negatively affected.

Taxing authorities may successfully assert that we should have collected or in the future should collect sales and use, gross receipts, value added or similar taxes and may successfully impose additional obligations on us.

One or more jurisdictions may seek to impose additional tax collection obligations on us, including for past sales. A successful assertion by a state, country, or other jurisdiction that we should have been or should be collecting additional sales, use, or other taxes on our services could, among other things, result in substantial tax liabilities for past sales, create significant administrative burdens for us, discourage users from purchasing our products, or otherwise harm our business, results of operations and financial condition.

Our ability to utilize our net operating loss carryforwards and research and development carryforwards may be limited.

As of December 31, 2019, we had U.S. federal and state net operating loss carryforwards, or NOLs, of $30.5 million and $27.4 million, respectively, and U.S. federal and state research and development credit carryforwards of $0.9 million and $1.8 million, respectively. In general, under Sections 382 and 383 of the Internal Revenue Code of 1986, as amended, or the Code, a corporation that undergoes an "ownership change," generally defined as a greater than 50 percentage point change by value in its equity ownership over a rolling three-year period, is subject to limitations on its ability to utilize its pre-change net operating losses, or NOLs, and its research and development credit carryforwards to offset future taxable income. Our existing NOLs and research and development credit carryforwards have been, and may in the future be, subject to limitations arising from previous ownership changes, and if we undergo an ownership change, our ability to utilize NOLs and research and development credit carryforwards could be further limited by Sections 382 and 383 of the Code. In addition, our ability to deduct net interest expense may be limited if we have insufficient taxable income for the year during which the interest is incurred, and any carryovers of such disallowed interest would be subject to the limitation rules similar to those applicable to NOLs and other attributes. Future changes in our stock ownership, some of which might be beyond our control, could result in an ownership change under Section 382 of the Code. For these reasons, in the event we experience a future change of control, we may not be able to utilize a material portion of the NOLs, research and development credit carryforwards or disallowed interest expense carryovers, even if we attain profitability.

In addition, the tax benefit of NOLs, temporary differences and credit carryforwards are required to be recorded as an asset to the extent that we assess that realization is more likely than not. We believe that recognition of the deferred tax asset arising from these future tax benefits is not likely to be realized and, accordingly, have provided a valuation allowance of $11.5 million and $11.8 million for the years ended December 31, 2018 and 2019, respectively.

The impact of the Tax Cuts and Jobs Act on our financial results is not entirely clear and could differ materially from the financial statements provided herein.

On December 22, 2017, the United States enacted the Tax Cuts and Jobs Act, or the TCJA, that significantly reformed the Code. The TCJA, among other things, contained significant changes to corporate taxation, including reduction of the corporate tax rate from a top marginal rate of 35% to a flat rate of 21%; limitation of the tax deduction for interest expense; limitation of the deduction for NOLs and elimination of NOL carrybacks, in each case, for losses arising in taxable years beginning after December 31, 2017 (though any such tax losses may be carried forward indefinitely); and modifying or repealing many business deductions and credits. The financial statements contained herein reflect the effects of the TCJA based on current guidance.

However, there remain uncertainties and ambiguities in the application of certain provisions of the TCJA, and, as a result, we made certain judgments and assumptions in the interpretation thereof. The U.S.

Treasury Department and the Internal Revenue Service may issue further guidance on how the provisions of the TCJA will be applied or otherwise administered that differs from our current interpretation. In addition, the TCJA could be subject to potential amendments and technical corrections, any of which could materially lessen or increase certain adverse impacts of the legislation on us.

As international expansion of our business occurs in future years, it will expose us to market, regulatory, political, operational, financial and economic risks associated with doing business outside of the United States.

Our long-term strategy is to increase our international presence, including securing regulatory approvals in targeted countries outside the United States. We have applied to affix the Conformité Européene, or CE, mark to our ClotTriever and FlowTriever products, allowing us to commercialize in Europe in the future. This strategy may include establishing and maintaining physician outreach and education capabilities outside of the United States and expanding our relationships with international payors. Doing business internationally involves a number of risks, including:

- Difficulties in staffing and managing our international operations;
- Multiple, conflicting and changing laws and regulations such as tax laws, privacy laws, export and import restrictions, employment laws, regulatory requirements and other governmental approvals, permits and licenses;
- Reduced or varied protection for intellectual property rights in some countries;
- Obtaining regulatory clearance where required for our products in various countries;
- Requirements to maintain data and the processing of that data on servers located within such countries;
- Complexities associated with managing multiple payor reimbursement regimes, government payors or patient self-pay systems;
- Limits on our ability to penetrate international markets if we are required to manufacture our products locally;
- Financial risks, such as longer payment cycles, difficulty collecting accounts receivable, foreign tax laws and complexities of foreign value-added tax systems, the effect of local and regional financial pressures on demand and payment for our products and exposure to foreign currency exchange rate fluctuations;
- Restrictions on the site-of-service for use of our products and the economics related thereto for physicians, providers and payors;
- Natural disasters, political and economic instability, including wars, terrorism, political unrest, outbreak of disease, boycotts, curtailment of trade and other market restrictions; and
- Regulatory and compliance risks that relate to maintaining accurate information and control over activities subject to regulation under the United States Foreign Corrupt Practices Act of 1977, or FCPA, U.K. Bribery Act of 2010 and comparable laws and regulations in other countries.

Any of these factors could significantly harm our future international expansion and operations and, consequently, have a material adverse effect on our business, financial condition and results of operations.

The United Kingdom's withdrawal from the European Union may have a negative effect on global economic conditions, financial markets and our business.

On January 31, 2020, the United Kingdom, or the UK, withdrew from the European Union, or the EU, following its referendum in June 2016. The terms of the UK's withdrawal from the EU provide for a transitional period until December 31, 2020, during which the status quo is maintained and the UK government will attempt to negotiate the terms of its future relationship with the EU. Nevertheless, the withdrawal has created significant uncertainty about the future relationship between the UK and the EU, including with respect to the laws and regulations that will apply as the UK determines which EU laws to replace or replicate. The withdrawal has also given rise to calls for the governments of other EU member states to consider withdrawal. These developments, or the perception that any of them could occur, have had and may continue to have a material adverse effect on global economic conditions and the stability of global financial markets, and may significantly reduce global market liquidity and restrict the ability of key market participants to operate in certain financial markets. Any of these factors could depress economic activity and restrict our access to capital, which could have a material adverse effect on our business, financial condition and results of operations and reduce the price of our common stock.

Security breaches, loss of data and other disruptions could compromise sensitive information related to our business or our customer's patients, or prevent us from accessing critical information and expose us to liability, which could adversely affect our business and our reputation.

In the ordinary course of our business, we may become exposed to, or collect and store, sensitive data, including procedure-based information and legally-protected health information, credit card, and other financial information, insurance information, and other potentially personally identifiable information. We also store sensitive intellectual property and other proprietary business information. We are taking measures to implement policies and procedures designed to ensure compliance with applicable data security and privacy-related laws and regulations and protect sensitive information from unauthorized access or disclosure. However, our information technology, or IT, and infrastructure, and that of our third-party billing and collections provider and other technology partners and providers, may be vulnerable to cyber attacks by hackers or viruses or breaches due to employee error, malfeasance or other disruptions. We rely extensively on IT systems, networks and services, including internet sites, data hosting and processing facilities and tools, physical security systems and other hardware, software and technical applications and platforms, some of which are managed, hosted, provided and/or used by third-parties or their vendors, to assist in conducting our business. A significant breakdown, invasion, corruption, destruction or interruption of critical information technology systems or infrastructure, by our workforce, others with authorized access to our systems or unauthorized persons could negatively impact operations. The ever-increasing use and evolution of technology, including cloud-based computing, creates opportunities for the unintentional dissemination or intentional destruction of confidential information stored in our or our third-party providers' systems, portable media or storage devices. We could also experience a business interruption, theft of confidential information or reputational damage from industrial espionage attacks, malware or other cyber-attacks, which may compromise our system infrastructure or lead to data leakage, either internally or at our third-party providers. Although the aggregate impact on our operations and financial condition has not been material to date, we have been the target of events of this nature and expect them to continue as cybersecurity threats have been rapidly evolving in sophistication and becoming more prevalent in the industry. We are investing in protections and monitoring practices of our data and IT to reduce these risks and continue to monitor our systems on an ongoing basis for any current or potential threats. There can be no assurance, however, that our efforts will prevent breakdowns or breaches to our or our third-party providers' databases or systems, and such breakdowns or breaches could adversely affect our business, our financial condition and our reputation.

We could be adversely affected by violations of the FCPA and similar worldwide anti-bribery laws and any investigation, and the outcome of any investigation, by government agencies of possible violations by us of the FCPA could have a material adverse effect on our business.

The FCPA and similar worldwide anti-bribery laws prohibit companies and their intermediaries from corruptly providing any benefits to government officials for the purpose of obtaining or retaining business. The U.S. Departments of Justice, Commerce, State and Treasury and other federal agencies and authorities have a broad range of civil and criminal penalties they may seek to impose against corporations and individuals for violations of economic sanctions laws, export control laws, the U.S. Foreign Corrupt Practices Act, or the FCPA, and other federal statutes and regulations, including those established by the Office of Foreign Assets Control, or OFAC. In addition, the U.K. Bribery Act of 2010, or the Bribery Act, prohibits both domestic and international bribery, as well as bribery across both private and public sectors. An organization that fails to prevent bribery by anyone associated with the organization can be charged under the Bribery Act unless the organization can establish the defense of having implemented adequate procedures to prevent bribery. Under these laws and regulations, as well as other anti-corruption laws, anti-money laundering laws, export control laws, customs laws, sanctions laws and other laws governing our operations, various government agencies may require export licenses, may seek to impose modifications to business practices, including cessation of business activities in sanctioned countries or with sanctioned persons or entities and modifications to compliance programs, which may increase compliance costs, and may subject us to fines, penalties and other sanctions.

We are in the process of further enhancing policies designed to ensure compliance by us and our directors, officers, employees, representatives, consultants and agents with the FCPA, OFAC restrictions, the Bribery Act and other export control, anti-corruption, anti-money-laundering and anti-terrorism laws and regulations. In the future, we may operate in parts of the world that have experienced governmental corruption to some degree. Moreover, because of the significant role government entities play in the regulation of many foreign healthcare markets, we may be exposed to heightened FCPA and similar risks arising from our efforts to seek regulatory approval of and reimbursement for our products in such countries. We cannot assure you that our internal control policies and procedures will protect us from improper acts committed by our employees or agents, nor can we assure you that our business partners have not engaged and will not engage in conduct that could materially affect their ability to perform their contractual obligations to us or even result in our being held liable for such conduct. Violations of these laws, or allegations of such violations, would significantly disrupt our business and have a material adverse effect on our business, financial condition and results of operations.

Risks Related to Our Intellectual Property

Our success will depend on our, and any of our current and future licensors', ability to obtain, maintain and protect our intellectual property rights.

Our commercial success will depend in part on our, and any of our current or future licensors', success in obtaining and maintaining issued patents, trademarks and other intellectual property rights in the United States and elsewhere and protecting our proprietary technology. If we, or any of our current or future licensors, do not adequately protect our intellectual property and proprietary technology, competitors may be able to use our technologies or the goodwill we have acquired in the marketplace and erode or negate any competitive advantage we may have, which could harm our business and ability to achieve profitability.

Our intellectual property coverage includes protection provided by patents licensed through the Inceptus License and Inceptus Sublicense. We rely on Inceptus to maintain the patents and otherwise protect the intellectual property we license directly from them pursuant to the Inceptus License. We further rely on Drexel University to maintain the patents and otherwise protect the intellectual property we sublicense from Inceptus pursuant to the Inceptus Sublicense. Our licensors, including Inceptus and Drexel University, may not successfully prosecute the intellectual property applications, including patent applications, that we have licensed, may fail to maintain these patents, or may determine not to pursue litigation against other companies that are

infringing this intellectual property, or may pursue such litigation less aggressively than we would. If, in the future, we no longer have rights to one or more of these licensed patents or other licensed intellectual property, our intellectual property coverage may be compromised, which, in turn, could affect our ability to protect our products and defend them against competitors. Without protection for the intellectual property we license, other companies might be able to offer substantially identical products for sale, which could adversely affect our competitive business position and harm our business prospects.

We rely on a combination of contractual provisions, confidentiality procedures and patent, copyright, trademark, trade secret and other intellectual property laws to protect the proprietary aspects of our products, brands, technologies and data. These legal measures afford only limited protection, and competitors or others may gain access to or use our intellectual property and proprietary information. Our success will depend, in part, on preserving our trade secrets, maintaining the security of our data and know-how and obtaining and maintaining other intellectual property rights. We may not be able to obtain or maintain intellectual property or other proprietary rights necessary to our business or in a form that provides us with a competitive advantage.

In addition, despite our efforts to enter into confidentiality agreements with our employees, consultants, clients and other vendors who have access to such information, our trade secrets, data and know-how could be subject to unauthorized use, misappropriation, or disclosure to unauthorized parties, and could otherwise become known or be independently discovered by third parties. Our intellectual property, including trademarks, could be challenged, invalidated, infringed, and circumvented by third parties, and our trademarks could also be diluted, declared generic or found to be infringing on other marks. If any of the foregoing occurs, we could be forced to re-brand our products, resulting in loss of brand recognition and requiring us to devote resources to advertising and marketing new brands, and suffer other competitive harm. Third parties may also adopt trademarks similar to ours, which could harm our brand identity and lead to market confusion.

Failure to obtain and maintain intellectual property rights necessary to our business and failure to protect, monitor and control the use of our intellectual property rights could negatively impact our ability to compete and cause us to incur significant expenses. The intellectual property laws and other statutory and contractual arrangements in the United States and other jurisdictions we depend upon may not provide sufficient protection in the future to prevent the infringement, use, violation or misappropriation of our trademarks, data, technology and other intellectual property and services, and may not provide an adequate remedy if our intellectual property rights are infringed, misappropriated or otherwise violated.

We rely, in part, on our ability to obtain, maintain, expand, enforce, and defend the scope of our intellectual property portfolio or other proprietary rights, including the amount and timing of any payments we may be required to make in connection with the licensing, filing, defense and enforcement of any patents or other intellectual property rights. The process of applying for and obtaining a patent is expensive, time consuming and complex, and we may not be able to file, prosecute, maintain, enforce or license all necessary or desirable patent applications at a reasonable cost, in a timely manner, or in all jurisdictions where protection may be commercially advantageous, or we may not be able to protect our proprietary rights at all. Despite our efforts to protect our proprietary rights, unauthorized parties may be able to obtain and use information that we regard as proprietary.

We own numerous issued patents and pending patent applications. As of December 31, 2019, we held 17 U.S. patents, 14 pending U.S. patent applications, three issued foreign patents, 11 pending foreign patent applications and four pending Patent Cooperation Treaty applications, and we also licensed one U.S. patent and sublicensed one U.S. patent. The patent positions of medical device companies, including our patent position, may involve complex legal and factual questions, and therefore, the scope, validity and enforceability of any patent claims that we may obtain cannot be predicted with certainty.

Though an issued patent is presumed valid and enforceable, its issuance is not conclusive as to its validity or its enforceability and it may not provide us with adequate proprietary protection or competitive

advantages against competitors with similar products. Patents, if issued, may be challenged, deemed unenforceable, invalidated or circumvented. Proceedings challenging our patents could result in either loss of the patent, or denial or the patent application or loss or reduction in the scope of one or more of the claims of the patent or patent application. In addition, such proceedings may be costly. Thus, any patents that we may own may not provide any protection against competitors. Furthermore, an adverse decision may result in a third party receiving a patent right sought by us, which in turn could affect our ability to commercialize our products. Competitors could purchase our products and attempt to replicate or reverse engineer some or all of the competitive advantages we derive from our development efforts, willfully infringe our intellectual property rights, design around our patents, or develop and obtain patent protection for more effective technologies, designs or methods. We may be unable to prevent the unauthorized disclosure or use of our technical knowledge or trade secrets by consultants, suppliers, vendors, former employees and current employees. Further, the laws of some foreign countries do not protect our proprietary rights to the same extent as the laws of the United States, and we may encounter significant problems in protecting our proprietary rights in these countries.

In addition, proceedings to enforce or defend our patents could put our patents at risk of being invalidated, held unenforceable or interpreted narrowly. Such proceedings could also provoke third parties to assert claims against us, including that some or all of the claims in one or more of our patents are invalid or otherwise unenforceable. If any of our patents covering our products are invalidated or found unenforceable, or if a court found that valid, enforceable patents held by third parties covered one or more of our products, our competitive position could be harmed or we could be required to incur significant expenses to enforce or defend our rights.

The degree of future protection for our proprietary rights is uncertain, and we cannot ensure that:

- Any of our patents, or any of our pending patent applications, if issued, will include claims having a scope sufficient to protect our products;
- Any of our pending patent applications will issue as patents;
- We will be able to successfully commercialize our products on a substantial scale, if approved, before our relevant patents we may have expire;
- We were the first to make the inventions covered by each of our patents and pending patent applications;
- We were the first to file patent applications for these inventions;
- Others will not develop similar or alternative technologies that do not infringe our patents; any of our patents will be found to ultimately be valid and enforceable;
- Any patents issued to us will provide a basis for an exclusive market for our commercially viable products, will provide us with any competitive advantages or will not be challenged by third parties;
- We will develop additional proprietary technologies or products that are separately patentable; or
- Our commercial activities or products will not infringe upon the patents of others.

Even if we are able to obtain patent protection, such patent protection may be of insufficient scope to achieve our business objectives. Issued patents may be challenged, narrowed, invalidated or circumvented. Decisions by courts and governmental patent agencies may introduce uncertainty in the enforceability or scope of patents owned by or licensed to us. Furthermore, the issuance of a patent does not give us the right to practice the patented invention. Third parties may have blocking patents that could prevent us from marketing our own

products and practicing our own technology. Alternatively, third parties may seek approval to market their own products similar to or otherwise competitive with our products. In these circumstances, we may need to defend and/or assert our patents, including by filing lawsuits alleging patent infringement. In any of these types of proceedings, a court or agency with jurisdiction may find our patents invalid, unenforceable or not infringed; competitors may then be able to market products and use manufacturing and analytical processes that are substantially similar to ours. Even if we have valid and enforceable patents, these patents still may not provide protection against competing products or processes sufficient to achieve our business objectives.

The U.S. federal government retains certain rights in inventions produced with its financial assistance under the Bayh-Dole Act. The federal government retains a "nonexclusive, nontransferable, irrevocable, paid-up license" for its own benefit. The Bayh-Dole Act also provides federal agencies with "march-in rights." March-in rights allow the government, in specified circumstances, to require the contractor or successors in title to the patent to grant a "nonexclusive, partially exclusive, or exclusive license" to a "responsible applicant or applicants." If the patent owner refuses to do so, the government may grant the license to itself. Our business relies heavily on the Inceptus Sublicense, which is a sublicense from Drexel University that is explicitly subject to all applicable U.S. government rights, including, but not limited to, any applicable requirement that products, which result from such intellectual property and are sold in the United States, must be substantially manufactured in the United States. Thus we cannot be sure that some of our intellectual property will be free from government rights or regulations pursuant to the Bayh-Dole Act. If, in the future, we co-own or license in technology which is critical to our business that is developed in whole or in part with federal funds subject to the Bayh-Dole Act, our ability to enforce or otherwise exploit patents covering such technology may be adversely affected.

Obtaining and maintaining patent protection depends on compliance with various procedural, document submission, fee payment and other requirements imposed by governmental patent agencies, and our patent protection could be reduced or eliminated for non-compliance with these requirements.

The U.S. Patent and Trademark Office, or USPTO and various foreign governmental patent agencies require compliance with a number of procedural, documentary, fee payment and other similar provisions during the patent application process. In addition, periodic maintenance fees on issued patents often must be paid to the USPTO and foreign patent agencies over the lifetime of the patent. While an unintentional lapse can in many cases be cured by payment of a late fee or by other means in accordance with the applicable rules, there are situations in which noncompliance can result in abandonment or lapse of the patent or patent application, resulting in partial or complete loss of patent rights in the relevant jurisdiction. Non-compliance events that could result in abandonment or lapse of a patent or patent application include, but are not limited to, failure to respond to official actions within prescribed time limits, non-payment of fees and failure to properly legalize and submit formal documents. If we fail to maintain the patents and patent applications covering our products, we may not be able to stop a competitor from marketing products that are the same as or similar to our products, which would have a material adverse effect on our business.

Changes in patent law could diminish the value of patents in general, thereby impairing our ability to protect our existing and future products.

Recent patent reform legislation could increase the uncertainties and costs surrounding the prosecution of patent applications and the enforcement or defense of issued patents. In 2011, the Leahy-Smith America Invents Act, or the Leahy-Smith Act, was signed into law. The Leahy-Smith Act includes a number of significant changes to U.S. patent law. These include provisions that affect the way patent applications are prosecuted and also may affect patent litigation. These also include provisions that switched the United States from a "first-to-invent" system to a "first-to-file" system, allow third-party submission of prior art to the USPTO during patent prosecution and set forth additional procedures to attack the validity of a patent by the USPTO administered post grant proceedings. Under a first-to-file system, assuming the other requirements for patentability are met, the first inventor to file a patent application generally will be entitled to the patent on an invention regardless of whether another inventor had made the invention earlier. The USPTO recently developed

new regulations and procedures to govern administration of the Leahy-Smith Act, and many of the substantive changes to patent law associated with the Leahy-Smith Act, and in particular, the first to file provisions, only became effective in 2013. Accordingly, it is not clear what, if any, impact the Leahy-Smith Act will have on the operation of our business. The Leahy-Smith Act and its implementation could increase the uncertainties and costs surrounding the prosecution of our patent applications and the enforcement or defense of our issued patents, all of which could have a material adverse effect on our business, financial condition and results of operations.

In addition, patent reform legislation may pass in the future that could lead to additional uncertainties and increased costs surrounding the prosecution, enforcement and defense of our patents and applications. Furthermore, the U.S. Supreme Court and the U.S. Court of Appeals for the Federal Circuit have made, and will likely continue to make, changes in how the patent laws of the United States are interpreted. Similarly, foreign courts have made, and will likely continue to make, changes in how the patent laws in their respective jurisdictions are interpreted. We cannot predict future changes in the interpretation of patent laws or changes to patent laws that might be enacted into law by U.S. and foreign legislative bodies. Those changes may materially affect our patents or patent applications and our ability to obtain additional patent protection in the future.

We may become a party to intellectual property litigation or administrative proceedings that could be costly and could interfere with our ability to sell and market our products.

The medical device industry has been characterized by extensive litigation regarding patents, trademarks, trade secrets, and other intellectual property rights, and companies in the industry have used intellectual property litigation to gain a competitive advantage. It is possible that U.S. and foreign patents and pending patent applications or trademarks controlled by third parties may be alleged to cover our products, or that we may be accused of misappropriating third parties' trade secrets. Additionally, our products include components that we purchase from vendors, and may include design components that are outside of our direct control. Our competitors, many of which have substantially greater resources and have made substantial investments in patent portfolios, trade secrets, trademarks, and competing technologies, may have applied for or obtained, or may in the future apply for or obtain, patents or trademarks that will prevent, limit or otherwise interfere with our ability to make, use, sell and/or export our products or to use our technologies or product names. Moreover, in recent years, individuals and groups that are non-practicing entities, commonly referred to as "patent trolls," have purchased patents and other intellectual property assets for the purpose of making claims of infringement in order to extract settlements. From time to time, we may receive threatening letters, notices or "invitations to license," or may be the subject of claims that our products and business operations infringe or violate the intellectual property rights of others. The defense of these matters can be time consuming, costly to defend in litigation, divert management's attention and resources, damage our reputation and brand and cause us to incur significant expenses or make substantial payments. Vendors from whom we purchase hardware or software may not indemnify us in the event that such hardware or software is accused of infringing a third-party's patent or trademark or of misappropriating a third-party's trade secret.

Since patent applications are confidential for a period of time after filing, we cannot be certain that we were the first to file any patent application related to our products. Competitors may also contest our patents, if issued, by showing the patent examiner that the invention was not original, was not novel or was obvious. In litigation, a competitor could claim that our patents, if issued, are not valid for a number of reasons. If a court agrees, we would lose our rights to those challenged patents.

In addition, we may in the future be subject to claims by our former employees or consultants asserting an ownership right in our patents, patent applications or other intellectual property, as a result of the work they performed on our behalf. Although we generally require all of our employees and consultants and any other partners or collaborators who have access to our proprietary know-how, information or technology to assign or grant similar rights to their inventions to us, we cannot be certain that we have executed such agreements with all parties who may have contributed to our intellectual property, nor can we be certain that our agreements with such parties will be upheld in the face of a potential challenge, or that they will not be breached, for which we may not have an adequate remedy.

Any lawsuits relating to intellectual property rights could subject us to significant liability for damages and invalidate our proprietary rights. Any potential intellectual property litigation also could force us to do one or more of the following:

- Stop making, selling or using products or technologies that allegedly infringe the asserted intellectual property;
- Lose the opportunity to license our intellectual property to others or to collect royalty payments based upon successful protection and assertion of our intellectual property rights against others; incur significant legal expenses;
- Pay substantial damages or royalties to the party whose intellectual property rights we may be found to be infringing;
- Pay the attorney's fees and costs of litigation to the party whose intellectual property rights we may be found to be infringing;
- Redesign those products or technologies that contain the allegedly infringing intellectual property, which could be costly, disruptive and infeasible; and
- Attempt to obtain a license to the relevant intellectual property from third parties, which may not be available on reasonable terms or at all, or from third parties who may attempt to license rights that they do not have.

In addition, if we are found to willfully infringe third-party patents or trademarks or to have misappropriated trade secrets, we could be required to pay treble damages in addition to other penalties. Although patent, trademark, trade secret, and other intellectual property disputes in the medical device area have often been settled through licensing or similar arrangements, costs associated with such arrangements may be substantial and could include ongoing royalties. We may be unable to obtain necessary licenses on satisfactory terms, if at all. If we do not obtain necessary licenses, we may not be able to redesign our products to avoid infringement.

Any litigation or claim against us, even those without merit and even those where we prevail, may cause us to incur substantial costs, and could place a significant strain on our financial resources, divert the attention of management from our core business and harm our reputation. If we are found to infringe the intellectual property rights of third parties, we could be required to pay substantial damages (which may be increased up to three times of awarded damages) and/or substantial royalties and could be prevented from selling our products unless we obtain a license or are able to redesign our products to avoid infringement. Any such license may not be available on reasonable terms, if at all, and there can be no assurance that we would be able to redesign our products in a way that would not infringe the intellectual property rights of others. We could encounter delays in product introductions while we attempt to develop alternative methods or products. If we fail to obtain any required licenses or make any necessary changes to our products or technologies, we may have to withdraw existing products from the market or may be unable to commercialize one or more of our products.

In addition, we generally indemnify our customers with respect to infringement by our products of the proprietary rights of third parties. However, third parties may assert infringement claims against our customers. These claims may require us to initiate or defend protracted and costly litigation on behalf of our customers, regardless of the merits of these claims. If any of these claims succeed or settle, we may be forced to pay damages or settlement payments on behalf of our customers or may be required to obtain licenses for the products they use. If we cannot obtain all necessary licenses on commercially reasonable terms, our customers may be forced to stop using our products.

Similarly, interference or derivation proceedings provoked by third parties or brought by the USPTO may be necessary to determine priority with respect to our patents, patent applications, trademarks or trademark applications. We may also become involved in other proceedings, such as reexamination, inter parties review, derivation or opposition proceedings before the USPTO or other jurisdictional body relating to our intellectual property rights or the intellectual property rights of others. Adverse determinations in a judicial or administrative proceeding or failure to obtain necessary licenses could prevent us from manufacturing our products or using product names, which would have a significant adverse impact on our business, financial condition and results of operations.

Additionally, we may file lawsuits or initiate other proceedings to protect or enforce our patents or other intellectual property rights, which could be expensive, time consuming and unsuccessful. Competitors may infringe our issued patents or other intellectual property. To counter infringement or unauthorized use, we may be required to file infringement claims, which can be expensive and time-consuming. Any claims we assert against perceived infringers could provoke these parties to assert counterclaims against us alleging that we infringe their intellectual property. In addition, in a patent or other intellectual property infringement proceeding, a court may decide that a patent or other intellectual property of ours is invalid or unenforceable, in whole or in part, construe the patent's claims or other intellectual property narrowly or refuse to stop the other party from using the technology at issue on the grounds that our patents or other intellectual property do not cover the technology in question. Furthermore, even if our patents or other intellectual property are found to be valid and infringed, a court may refuse to grant injunctive relief against the infringer and instead grant us monetary damages and/or ongoing royalties. Such monetary compensation may be insufficient to adequately offset the damage to our business caused by the infringer's competition in the market. An adverse result in any litigation proceeding could put one or more of our patents or other intellectual property at risk of being invalidated or interpreted narrowly, which could adversely affect our competitive business position, financial condition and results of operations.

If we are unable to protect the confidentiality of our other proprietary information, our business and competitive position may be harmed.

In addition to patent protection, we also rely on other proprietary rights, including protection of trade secrets, and other proprietary information that is not patentable or that we elect not to patent. However, trade secrets can be difficult to protect and some courts are less willing or unwilling to protect trade secrets. To maintain the confidentiality of our trade secrets and proprietary information, we rely heavily on confidentiality provisions that we have in contracts with our employees, consultants, collaborators and others upon the commencement of their relationship with us. We cannot guarantee that we have entered into such agreements with each party that may have or have had access to our trade secrets or proprietary technology and processes. We may not be able to prevent the unauthorized disclosure or use of our technical knowledge or other trade secrets by such third parties, despite the existence generally of these confidentiality restrictions. These contracts may not provide meaningful protection for our trade secrets, know-how, or other proprietary information in the event the unwanted use is outside the scope of the provisions of the contracts or in the event of any unauthorized use, misappropriation, or disclosure of such trade secrets, know-how, or other proprietary information. There can be no assurance that such third parties will not breach their agreements with us, that we will have adequate remedies for any breach, or that our trade secrets will not otherwise become known or independently developed by competitors. Despite the protections we do place on our intellectual property or other proprietary rights, monitoring unauthorized use and disclosure of our intellectual property is difficult, and we do not know whether the steps we have taken to protect our intellectual property or other proprietary rights will be adequate. In addition, the laws of many foreign countries will not protect our intellectual property or other proprietary rights to the same extent as the laws of the United States. Consequently, we may be unable to prevent our proprietary technology from being exploited abroad, which could affect our ability to expand to international markets or require costly efforts to protect our technology. To the extent our intellectual property or other proprietary information protection is incomplete, we are exposed to a greater risk of direct competition. A third party could, without authorization, copy or otherwise obtain and use our products or technology, or develop similar

technology. Our competitors could purchase our products and attempt to replicate some or all of the competitive advantages we derive from our development efforts or design around our protected technology. Our failure to secure, protect and enforce our intellectual property rights could substantially harm the value of our products, brand and business. The theft or unauthorized use or publication of our trade secrets and other confidential business information could reduce the differentiation of our products and harm our business, the value of our investment in development or business acquisitions could be reduced and third parties might make claims against us related to losses of their confidential or proprietary information. Any of the foregoing could materially and adversely affect our business, financial condition and results of operations.

Further, it is possible that others will independently develop the same or similar technology or products or otherwise obtain access to our unpatented technology, and in such cases we could not assert any trade secret rights against such parties. Costly and time consuming litigation could be necessary to enforce and determine the scope of our trade secret rights and related confidentiality and nondisclosure provisions. If we fail to obtain or maintain trade secret protection, or if our competitors obtain our trade secrets or independently develop technology or products similar to ours or competing technologies or products, our competitive market position could be materially and adversely affected. In addition, some courts are less willing or unwilling to protect trade secrets and agreement terms that address non-competition are difficult to enforce in many jurisdictions and might not be enforceable in certain cases.

We also seek to preserve the integrity and confidentiality of our data and other confidential information by maintaining physical security of our premises and physical and electronic security of our information technology systems. While we have confidence in these individuals, organizations and systems, agreements or security measures may be breached and detecting the disclosure or misappropriation of confidential information and enforcing a claim that a party illegally disclosed or misappropriated confidential information is difficult, expensive and time-consuming, and the outcome is unpredictable. Further, we may not be able to obtain adequate remedies for any breach.

We may not be able to protect our intellectual property rights throughout the world.

A company may attempt to commercialize competing products utilizing our proprietary design, trademarks or tradenames in foreign countries where we do not have any patents or patent applications and where legal recourse may be limited. This may have a significant commercial impact on our foreign business operations.

Filing, prosecuting and defending patents or trademarks on our current and future products in all countries throughout the world would be prohibitively expensive. The requirements for patentability and trademarking may differ in certain countries, particularly developing countries. The laws of some foreign countries do not protect intellectual property rights to the same extent as laws in the United States. Consequently, we may not be able to prevent third parties from utilizing our inventions and trademarks in all countries outside the United States. Competitors may use our technologies or trademarks in jurisdictions where we have not obtained patent or trademark protection to develop or market their own products and further, may export otherwise infringing products to territories where we have patent and trademark protection, but enforcement on infringing activities is inadequate. These products or trademarks may compete with our products or trademarks, and our patents, trademarks or other intellectual property rights may not be effective or sufficient to prevent them from competing.

Many companies have encountered significant problems in protecting and defending intellectual property rights in foreign jurisdictions. The legal systems of certain countries, particularly certain developing countries, do not favor the enforcement of patents, trademarks and other intellectual property protection, which could make it difficult for us to stop the infringement of our patents and trademarks or marketing of competing products in violation of our proprietary rights generally. Proceedings to enforce our patent and trademarks rights in foreign jurisdictions could result in substantial costs and divert our efforts and attention from other aspects of

our business, could put our patents and trademarks in those jurisdictions, as well as elsewhere at risk of being invalidated or interpreted narrowly and our patent or trademark applications at risk, and could provoke third parties to assert claims against us. We may not prevail in any lawsuits that we initiate and the damages or other remedies awarded, if any, may not be commercially meaningful. Certain countries in Europe and certain developing countries, including India and China, have compulsory licensing laws under which a patent owner may be compelled to grant licenses to third parties. In those countries, we may have limited remedies if our patents are infringed or if we are compelled to grant a license to our patents to a third party, which could materially diminish the value of those patents. This could limit our potential revenue opportunities. Accordingly, our efforts to enforce our intellectual property rights around the world may be inadequate to obtain a significant commercial advantage from the intellectual property that we own or license. Finally, our ability to protect and enforce our intellectual property rights may be adversely affected by unforeseen changes in foreign intellectual property laws.

We may be subject to claims that we or our employees have misappropriated the intellectual property of a third party, including trade secrets or know-how, or are in breach of non-competition or non-solicitation agreements with our competitors.

Many of our employees and consultants were previously employed at or engaged by other medical device, biotechnology or pharmaceutical companies, including our competitors or potential competitors. Some of these employees, consultants and contractors, may have executed proprietary rights, non-disclosure and non-competition agreements in connection with such previous employment. Although we try to ensure that our employees and consultants do not use the intellectual property, proprietary information, know-how or trade secrets of others in their work for us, we may be subject to claims that we or these individuals have, inadvertently or otherwise, misappropriated the intellectual property or disclosed the alleged trade secrets or other proprietary information, of these former employers or competitors.

Additionally, we may be subject to claims from third parties challenging our ownership interest in intellectual property we regard as our own, based on claims that our employees or consultants have breached an obligation to assign inventions to another employer, to a former employer, or to another person or entity. Litigation may be necessary to defend against any other claims, and it may be necessary or we may desire to enter into a license to settle any such claim; however, there can be no assurance that we would be able to obtain a license on commercially reasonable terms, if at all. If our defense to those claims fails, in addition to paying monetary damages, a court could prohibit us from using technologies or features that are essential to our products, if such technologies or features are found to incorporate or be derived from the trade secrets or other proprietary information of the former employers. An inability to incorporate technologies or features that are important or essential to our products could have a material adverse effect on our business, financial condition and results of operations, and may prevent us from selling our products. In addition, we may lose valuable intellectual property rights or personnel. Even if we are successful in defending against these claims, litigation could result in substantial costs and could be a distraction to management. Any litigation or the threat thereof may adversely affect our ability to hire employees or contract with independent sales representatives. A loss of key personnel or their work product could hamper or prevent our ability to commercialize our products, which could have an adverse effect on our business, financial condition and results of operations.

The failure of third parties to meet their contractual, regulatory, and other obligations could adversely affect our business.

We rely on suppliers, vendors, outsourcing partners, consultants, alliance partners and other third parties to research, develop, manufacture and commercialize our products and manage certain parts of our business. Using these third parties poses a number of risks, such as: (i) they may not perform to our standards or legal requirements; (ii) they may not produce reliable results; (iii) they may not perform in a timely manner; (iv) they may not maintain confidentiality of our proprietary information; (v) disputes may arise with respect to ownership of rights to technology developed with our partners; and (vi) disagreements could cause delays in, or termination

of, the research, development or commercialization of our products or result in litigation or arbitration. Moreover, some third parties are located in markets subject to political and social risk, corruption, infrastructure problems and natural disasters, in addition to country-specific privacy and data security risk given current legal and regulatory environments. Failure of third parties to meet their contractual, regulatory, and other obligations may materially affect our business.

If our trademarks and tradenames are not adequately protected, then we may not be able to build name recognition in our markets and our business may be adversely affected.

We rely on trademarks, service marks, tradenames and brand names to distinguish our products from the products of our competitors, and have registered or applied to register these trademarks. We cannot assure you that our trademark applications will be approved. During trademark registration proceedings, we may receive rejections. Although we are given an opportunity to respond to those rejections, we may be unable to overcome such rejections. In addition, in proceedings before the USPTO and comparable agencies in many foreign jurisdictions, third parties are given an opportunity to oppose pending trademark applications and to seek to cancel registered trademarks. Opposition or cancellation proceedings may be filed against our trademarks, and our trademarks may not survive such proceedings. In the event that our trademarks are successfully challenged, we could be forced to rebrand our products, which could result in loss of brand recognition and could require us to devote resources towards advertising and marketing new brands. At times, competitors may adopt trade names or trademarks similar to ours, thereby impeding our ability to build brand identity and possibly leading to market confusion. Certain of our current or future trademarks may become so well known by the public that their use becomes generic and they lose trademark protection. Over the long term, if we are unable to establish name recognition based on our trademarks and trade names, then we may not be able to compete effectively and our business, financial condition and results of operations may be adversely affected.

Risks Related to Government Regulation

Our products and operations are subject to extensive government regulation and oversight in the United States.

Our products are regulated as medical devices. We and our products are subject to extensive regulation in the United States, including by the FDA, and may in the future be subject to regulation elsewhere and by the FDA's foreign counterparts. The FDA and foreign regulatory agencies regulate, among other things, with respect to medical devices: design, development, manufacturing and release; laboratory, preclinical and clinical testing; labeling, packaging, content and language of instructions for use and storage; product safety and efficacy; establishment registration and device listing; marketing, sales and distribution; pre-market clearance and approval; service operations; record keeping procedures; advertising and promotion; recalls and field safety corrective actions; post-market surveillance, including reporting of deaths or serious injuries and malfunctions that, if they were to recur, could lead to death or serious injury; post-market studies; and product import and export.

The regulations to which we are subject are complex and have tended to become more stringent over time. Regulatory changes could result in restrictions on our ability to carry on or expand our operations, higher than anticipated costs or lower than anticipated sales. The FDA enforces these regulatory requirements through, among other means, periodic unannounced inspections. We do not know whether we will be found compliant in connection with any future FDA inspections. Failure to comply with applicable regulations could jeopardize our ability to sell our products and result in enforcement actions such as: warning letters; fines; injunctions; civil penalties; termination of distribution; recalls or seizures of products; delays in the introduction of products into the market; total or partial suspension of production; refusal to grant future clearances or approvals; withdrawals or suspensions of current approvals, resulting in prohibitions on sales of our products; and in the most serious cases, criminal penalties.

We may not receive, or may be delayed in receiving, the necessary clearances or approvals for our future products or modifications to our current products, and failure to timely obtain necessary clearances or approvals for our future products or modifications to our current products would adversely affect our ability to grow our business.

In the United States, before we can market a new medical device, or a new use of, new claim for or significant modification to an existing product, we must first receive either clearance under Section 510(k) of the Federal Food, Drug, and Cosmetic Act, or the FDCA, or approval of a pre-market approval application, or PMA, from the FDA, unless an exemption applies. In the 510(k) clearance process, before a device may be marketed, the FDA must determine that a proposed device is "substantially equivalent" to a legally-marketed "predicate" device, which includes a device that has been previously cleared through the 510(k) process, a device that was legally marketed prior to May 28, 1976 (pre-amendments device), a device that was originally on the U.S. market pursuant to an approved PMA and later down-classified, or a 510(k)-exempt device. To be "substantially equivalent," the proposed device must have the same intended use as the predicate device, and either have the same technological characteristics as the predicate device or have different technological characteristics and not raise different questions of safety or effectiveness than the predicate device. Clinical data are sometimes required to support substantial equivalence. In the process of obtaining PMA approval, the FDA must determine that a proposed device is safe and effective for its intended use based, in part, on extensive data, including, but not limited to, technical, preclinical, clinical trial, manufacturing and labeling data. The PMA process is typically required for devices that are deemed to pose the greatest risk, such as life-sustaining, life-supporting or implantable devices.

Modifications to products that are approved through a PMA application generally require FDA approval. Similarly, certain modifications made to products cleared through a 510(k) may require a new 510(k) clearance. Both the PMA approval and the 510(k) clearance process can be expensive, lengthy and uncertain. The FDA's 510(k) clearance process usually takes from three to 12 months, but can last longer. The process of obtaining a PMA is much more costly and uncertain than the 510(k) clearance process and generally takes from one to three years, or even longer, from the time the application is submitted to the FDA. In addition, a PMA generally requires the performance of one or more clinical trials. Despite the time, effort and cost, a device may not be approved or cleared by the FDA. Any delay or failure to obtain necessary regulatory clearances or approvals could harm our business. Furthermore, even if we are granted regulatory clearances or approvals, they may include significant limitations on the indicated uses for the device, which may limit the market for the device.

In the United States, we have obtained clearance of our ClotTriever and FlowTriever products through the 510(k) clearance process. Any modification to these systems that has not been previously cleared may require us to submit a new 510(k) premarket notification and obtain clearance, or submit a PMA and obtain FDA approval prior to implementing the change. Specifically, any modification to a 510(k)-cleared device that could significantly affect its safety or effectiveness, or that would constitute a major change in its intended use, design or manufacture, requires a new 510(k) clearance or, possibly, approval of a PMA. The FDA requires every manufacturer to make this determination in the first instance, but the FDA may review any manufacturer's decision. The FDA may not agree with our decisions regarding whether new clearances or approvals are necessary. We have made modifications to 510(k)-cleared products in the past and have determined based on our review of the applicable FDA regulations and guidance that in certain instances new 510(k) clearances or PMA approvals were not required. We may make modifications or add additional features in the future that we believe do not require a new 510(k) clearance or approval of a PMA. If the FDA disagrees with our determination and requires us to submit new 510(k) notifications or PMA applications for modifications to our previously cleared products for which we have concluded that new clearances or approvals are unnecessary, we may be required to cease marketing or to recall the modified product until we obtain clearance or approval, and we may be subject to significant regulatory fines or penalties. If the FDA requires us to go through a lengthier, more rigorous examination for future products or modifications to existing products than we had expected, product introductions or modifications could be delayed or canceled, which could adversely affect our ability to grow our business.

The FDA can delay, limit or deny clearance or approval of a device for many reasons, including:

- Our inability to demonstrate to the satisfaction of the FDA or the applicable regulatory entity or notified body that our products are safe or effective for their intended uses;
- The disagreement of the FDA or the applicable foreign regulatory body with the design or implementation of our clinical trials or the interpretation of data from preclinical studies or clinical trials;
- Serious and unexpected adverse device effects experienced by participants in our clinical trials;
- The data from our preclinical studies and clinical trials may be insufficient to support clearance or approval, where required;
- Our inability to demonstrate that the clinical and other benefits of the device outweigh the risks;
- The manufacturing process or facilities we use may not meet applicable requirements; and
- The potential for approval policies or regulations of the FDA or applicable foreign regulatory bodies to change significantly in a manner rendering our clinical data or regulatory filings insufficient for clearance or approval.

In order to sell our products in member countries of the European Economic Area, or the EEA, which is comprised of the 27 Member States of the EU plus Norway, Liechtenstein and Iceland, and the UK (until the end of the transition period on December 31, 2020 provided for in the withdrawal agreement between the EU and the UK), our products must comply with the essential requirements of the EU Medical Devices Directive (Council Directive 93/42/EEC). Compliance with these requirements is a prerequisite to be able to affix the CE mark to our products, without which they cannot be sold or marketed in the EEA. To demonstrate compliance with the essential requirements we must undergo a conformity assessment procedure, which varies according to the type of medical device and its classification. Except for low-risk medical devices (Class I non-sterile, non-measuring devices), where the manufacturer can issue an EC Declaration of Conformity based on a self-assessment of the conformity of its products with the essential requirements of the EU Medical Devices Directive, a conformity assessment procedure requires the intervention of an organization accredited by a member state of the EEA to conduct conformity assessments, or a Notified Body. Depending on the relevant conformity assessment procedure, the Notified Body would typically audit and examine the technical file and the quality system for the manufacture, design and final inspection of our devices. The Notified Body issues a certificate of conformity following successful completion of a conformity assessment procedure conducted in relation to the medical device and its manufacturer and their conformity with the essential requirements. This certificate entitles the manufacturer to affix the CE mark to its medical devices after having prepared and signed a related EC Declaration of Conformity.

As a general rule, demonstration of conformity of medical devices and their manufacturers with the essential requirements must be based, among other things, on the evaluation of clinical data supporting the safety and performance of the products during normal conditions of use. Specifically, a manufacturer must demonstrate that the device achieves its intended performance during normal conditions of use, that the known and foreseeable risks, and any adverse events, are minimized and acceptable when weighed against the benefits of its intended performance, and that any claims made about the performance and safety of the device are supported by suitable evidence. If we fail to remain in compliance with applicable European laws and directives, we would be unable to continue to affix the CE mark to our products, which would prevent us from selling them within the EEA.

Failure to comply with post-marketing regulatory requirements could subject us to enforcement actions, including substantial penalties, and might require us to recall or withdraw a product from the market.

Even though we have obtained FDA clearance for our ClotTriever and FlowTriever products in the United States, we are subject to ongoing and pervasive regulatory requirements governing, among other things, the manufacture, marketing, advertising, medical device reporting, sale, promotion, import, export, registration, and listing of devices. For example, we must submit periodic reports to the FDA as a condition of 510(k) clearance. These reports include information about failures and certain adverse events associated with the device after its clearance. Failure to submit such reports, or failure to submit the reports in a timely manner, could result in enforcement action by the FDA. Following its review of the periodic reports, the FDA might ask for additional information or initiate further investigation.

The regulations to which we are subject are complex and have become more stringent over time. Regulatory changes could result in restrictions on our ability to continue or expand our operations, higher than anticipated costs, or lower than anticipated sales. Even after we have obtained the proper regulatory clearance to market a device, we have ongoing responsibilities under FDA regulations and applicable foreign laws and regulations. The FDA, state and foreign regulatory authorities have broad enforcement powers. Our failure to comply with applicable regulatory requirements could result in enforcement action by the FDA, state or foreign regulatory authorities, which may include any of the following sanctions:

- Untitled letters, warning letters or adverse publicity;
- Fines, injunctions, consent decrees and civil penalties;
- Recalls, termination of distribution, administrative detention, or seizure of our products;
- Customer notifications or repair, replacement or refunds;
- Operating restrictions or partial suspension or total shutdown of production;
- Delays in or refusal to grant our requests for future clearances or approvals or foreign marketing authorizations of new products, new intended uses, or modifications to existing products;
- Withdrawals or suspensions of our current 510(k) clearances, resulting in prohibitions on sales of our products;
- FDA refusal to issue certificates to foreign governments needed to export products for sale in other countries; and
- Criminal prosecution.

Any of these sanctions could result in higher than anticipated costs or lower than anticipated sales and have a material adverse effect on our reputation, business, financial condition and results of operations.

In addition, the FDA may change its clearance policies, adopt additional regulations or revise existing regulations, or take other actions, which may prevent or delay clearance or approval of our future products under development or impact our ability to modify our currently cleared products on a timely basis. Such policy or regulatory changes could impose additional requirements upon us that could delay our ability to obtain new clearances or approvals, increase the costs of compliance or restrict our ability to maintain our clearances of our current products. For example, the FDA recently announced forthcoming steps that the FDA intends to take to modernize the premarket notification pathway under Section 510(k) of the FDCA. For more information, see “—Legislative or regulatory reforms in the United States or the EU may make it more difficult and costly for us to obtain regulatory clearances or approvals for our products or to manufacture, market or distribute our products after clearance or approval is obtained.”

Our products must be manufactured in accordance with federal and state regulations, and we could be forced to recall our devices or terminate production if we fail to comply with these regulations.

The methods used in, and the facilities used for, the manufacture of our products must comply with the FDA's QSR, which is a complex regulatory scheme that covers the procedures and documentation of the design, testing, production, process controls, quality assurance, labeling, packaging, handling, storage, distribution, installation, servicing and shipping of medical devices. Furthermore, we are required to maintain, and to verify that our suppliers maintain, facilities, procedures and operations that comply with our quality standards and applicable regulatory requirements. The FDA enforces the QSR through periodic announced or unannounced inspections of medical device manufacturing facilities, which may include the facilities of subcontractors. Our former facility in Irvine, California was audited by the FDA in August 2016 which resulted in the issuance of two Form-483 observations regarding (i) our procedures for Medical Device Event Reports, which did not specify submitting a supplemental report to the FDA within 30 days after receiving new information from a complainant, and (ii) our risk management report and evaluation protocol, which were not completed prior to human use evaluation. Written responses correcting the observations were provided to the FDA 15 days after receipt and, in November 2016, the FDA notified us that the inspection was closed. Neither of these Form-483 observations will impact our current facility. However, no FDA inspection has been conducted at our current facility in Irvine, California. Our products will also be subject to similar state regulations, various laws and regulations of foreign countries governing manufacturing and a requirement for adherence to industry standards of the International Standards Organization, or ISO, in connection with our medical device operations to maintain future CE marks.

Our third-party manufacturers may not take the necessary steps to comply with applicable regulations, which could cause delays in the delivery of our products. In addition, failure to comply with applicable FDA requirements or later discovery of previously unknown problems with our products or manufacturing processes could result in, among other things: warning letters or untitled letters; fines, injunctions or civil penalties; suspension or withdrawal of approvals; seizures or recalls of our products; total or partial suspension of production or distribution; administrative or judicially imposed sanctions; the FDA's refusal to grant pending or future clearances or approvals for our products; clinical holds; refusal to permit the import or export of our products; and criminal prosecution of us, our suppliers, or our employees.

We have received ISO 13485:2016 certification for our quality management system. ISO certification generally includes recertification audits every third year, scheduled annual surveillance audits and periodic unannounced audits.

We can provide no assurance that we will be found to remain in compliance with the QSR or ISO standards upon a regulator's review. If the FDA or the California Department of Public Health, or other regulator, inspects any of our facilities and discovers compliance problems, we may have to cease manufacturing and product distribution until we can take the appropriate remedial steps to correct the audit findings. Any of the actions noted above could significantly and negatively affect supply of our products. Taking corrective action may be expensive, time-consuming and a distraction for management. If any of these events occurs, our reputation could be harmed, we could be exposed to product liability claims and we could lose customers and experience reduced sales and increased costs.

Our products may cause or contribute to adverse medical events or be subject to failures or malfunctions that we are required to report to the FDA, and if we fail to do so, we would be subject to sanctions that could negatively affect our reputation, business, financial condition and results of operations. The discovery of serious safety issues with our products, or a recall of our products either voluntarily or at the direction of the FDA or another governmental authority, could have a negative impact on us.

We are subject to the FDA's medical device reporting regulations and similar foreign regulations, which require us to report to the FDA when we receive or become aware of information that reasonably suggests that one or more of our products may have caused or contributed to a death or serious injury or malfunctioned in a

way that, if the malfunction were to recur, it could cause or contribute to a death or serious injury. The timing of our obligation to report is triggered by the date we become aware of the adverse event as well as the nature of the event. We may fail to report adverse events of which we become aware within the prescribed timeframe. We may also fail to recognize that we have become aware of a reportable adverse event, especially if it is not reported to us as an adverse event or if it is an adverse event that is unexpected or removed in time from the use of the product. If we fail to comply with our reporting obligations, the FDA could take action, including warning letters, untitled letters, administrative actions, criminal prosecution, imposition of civil monetary penalties, revocation of our device clearance or approval, seizure of our products or delay in clearance or approval of future products.

The FDA and foreign regulatory bodies have the authority to require the recall of commercialized products in the event of material deficiencies or defects in design or manufacture of a product or in the event that a product poses an unacceptable risk to health. The FDA's authority to require a recall must be based on a finding that there is reasonable probability that the device could cause serious injury or death. We may also choose to voluntarily recall a product if any material deficiency is found. A government-mandated or voluntary recall by us could occur as a result of an unacceptable risk to health, component failures, malfunctions, manufacturing defects, labeling or design deficiencies, packaging defects or other deficiencies or failures to comply with applicable regulations. Product defects or other errors may occur in the future.

If we initiate a correction or removal for our products to reduce a risk to health posed by them or to remedy a violation of law that may present a risk to health, we would be required to submit a report to the FDA and may be required to submit similar notifications to other regulatory authorities. This report could lead to increased scrutiny by the FDA, other international regulatory agencies and our customers regarding the quality and safety of our products. Furthermore, the submission of these reports, to the extent made publicly available in accordance with FDA regulations, could be used by competitors against us and cause physicians to delay or cancel product orders, which will harm our reputation.

If we assess a potential quality issue or complaint as not requiring either field action or regulatory notification, regulators may review documentation of that decision during a subsequent audit. If regulators disagree with our decision, or take issue with either our investigation process or the resulting documentation, regulatory agencies may impose sanctions and we may be subject to regulatory enforcement actions, including warning letters, all of which will negatively affect our business, financial condition and results of operations.

Depending on the corrective action we take to redress a product's deficiencies or defects, the FDA may require, or we may decide, that we will need to obtain new clearances or approvals for the device before we may market or distribute the corrected device. Seeking such clearances or approvals may delay our ability to replace the recalled devices in a timely manner. Moreover, if we do not adequately address problems associated with our devices, we may face additional regulatory enforcement action, including FDA warning letters, product seizure, injunctions, administrative penalties or civil or criminal fines.

Companies are required to maintain certain records of recalls and corrections, even if they are not reportable to the FDA. We may initiate voluntary withdrawals or corrections for our products in the future that we determine do not require notification of the FDA. If the FDA disagrees with our determinations, it could require us to report those actions as recalls and we may be subject to enforcement action. A future recall announcement could harm our reputation with customers, potentially lead to product liability claims against us and negatively affect our sales. Any corrective action, whether voluntary or involuntary, as well as defending ourselves in a lawsuit, will require the dedication of our time and capital, distract management from operating our business and will negatively affect our reputation, business, financial condition and results of operations.

If we do not obtain and maintain international regulatory registrations, clearances or approvals for our products, we will be unable to market and sell our products outside of the United States.

Any future sales of our products outside of the United States are subject to foreign regulatory requirements that vary widely from country to country. In addition, the FDA regulates exports of medical devices

from the United States. While the regulations of some countries may not impose barriers to marketing and selling our products or only require notification, others require that we obtain the clearance or approval of a specified regulatory body. Complying with foreign regulatory requirements, including obtaining registrations, clearances or approvals, can be expensive and time-consuming, and we may not receive regulatory clearances or approvals in each country in which we plan to market our products or we may be unable to do so on a timely basis. The time required to obtain registrations, clearances or approvals, if required by other countries, may be longer than that required for FDA clearance or approval, and requirements for such registrations, clearances or approvals may significantly differ from FDA requirements. If we modify our products, we may need to apply for regulatory clearances or approvals before we are permitted to sell the modified product.

In addition, we may not continue to meet the quality and safety standards required to maintain the authorizations that we have received. If we are unable to maintain our authorizations in a particular country, we will no longer be able to sell the applicable product in that country.

Regulatory clearance or approval by the FDA does not ensure registration, clearance or approval by regulatory authorities in other countries, and registration, clearance or approval by one or more foreign regulatory authorities does not ensure registration, clearance or approval by regulatory authorities in other foreign countries or by the FDA. However, a failure or delay in obtaining registration or regulatory clearance or approval in one country may have a negative effect on the regulatory process in others.

Legislative or regulatory reforms in the United States or the EU may make it more difficult and costly for us to obtain regulatory clearances or approvals for our products or to manufacture, market or distribute our products after clearance or approval is obtained.

From time to time, legislation is drafted and introduced in Congress that could significantly change the statutory provisions governing the regulation of medical devices. In addition, the FDA may change its clearance and approval policies, adopt additional regulations or revise existing regulations, or take other actions, which may prevent or delay approval or clearance of our future products under development or impact our ability to modify our currently cleared products on a timely basis. Over the last several years, the FDA has proposed reforms to its 510(k) clearance process, and such proposals could include increased requirements for clinical data and a longer review period, or could make it more difficult for manufacturers to utilize the 510(k) clearance process for their products. For example, in November 2018, FDA officials announced forthcoming steps that the FDA intends to take to modernize the premarket notification pathway under Section 510(k) of the FDCA. Among other things, the FDA announced that it planned to develop proposals to drive manufacturers utilizing the 510(k) pathway toward the use of newer predicates. These proposals included plans to potentially sunset certain older devices that were used as predicates under the 510(k) clearance pathway, and to potentially publish a list of devices that have been cleared on the basis of demonstrated substantial equivalence to predicate devices that are more than 10 years old. In May 2019, the FDA solicited public feedback on these proposals. The FDA requested public feedback on whether it should consider certain actions that might require new authority, such as whether to sunset certain older devices that were used as predicates under the 510(k) clearance pathway. These proposals have not yet been finalized or adopted, and the FDA may work with Congress to implement such proposals through legislation. Accordingly, it is unclear the extent to which any proposals, if adopted, could impose additional regulatory requirements on us that could delay our ability to obtain new 510(k) clearances, increase the costs of compliance, or restrict our ability to maintain our current clearances, or otherwise create competition that may negatively affect our business.

More recently, in September 2019, the FDA finalized guidance describing an optional “safety and performance based” premarket review pathway for manufacturers of “certain, well-understood device types” to demonstrate substantial equivalence under the 510(k) clearance pathway by showing that such device meets objective safety and performance criteria established by the FDA, thereby obviating the need for manufacturers to compare the safety and performance of their medical devices to specific predicate devices in the clearance process. The FDA intends to develop and maintain a list of device types appropriate for the “safety and

performance based" pathway and will continue to develop product-specific guidance documents that identify the performance criteria for each such device type, as well as the testing methods recommended in the guidance documents, where feasible. The FDA may establish performance criteria for classes of devices for which we or our competitors seek or currently have received clearance, and it is unclear the extent to which such performance standards, if established, could impact our ability to obtain new 510(k) clearances or otherwise create competition that may negatively affect our business.

In addition, FDA regulations and guidance are often revised or reinterpreted by the FDA in ways that may significantly affect our business and our products. Any new statutes, regulations or revisions or reinterpretations of existing regulations may impose additional costs or lengthen review times of any future products or make it more difficult to obtain clearance or approval for, manufacture, market or distribute our products. We cannot determine what effect changes in regulations, statutes, legal interpretation or policies, when and if promulgated, enacted or adopted may have on our business in the future. Such changes could, among other things, require: additional testing prior to obtaining clearance or approval; changes to manufacturing methods; recall, replacement or discontinuance of our products; or additional record keeping.

The FDA's and other regulatory authorities' policies may change and additional government regulations may be promulgated that could prevent, limit or delay regulatory clearance or approval of our product candidates. We cannot predict the likelihood, nature or extent of government regulation that may arise from future legislation or administrative action, either in the United States or abroad. For example, certain policies of the Trump administration may impact our business and industry. Namely, the Trump administration has taken several executive actions, including the issuance of a number of Executive Orders, that could impose significant burdens on, or otherwise materially delay, FDA's ability to engage in routine oversight activities such as implementing statutes through rulemaking, issuance of guidance, and review and approval of marketing applications. It is difficult to predict how these executive actions will be implemented, and the extent to which they will impact the FDA's ability to exercise its regulatory authority. If these executive actions impose restrictions on FDA's ability to engage in oversight and implementation activities in the normal course, our business may be negatively impacted. If we are slow or unable to adapt to changes in existing requirements or the adoption of new requirements or policies, or if we are not able to maintain regulatory compliance, we may lose any marketing approval that we may have obtained and we may not achieve or sustain profitability.

On April 5, 2017, the European Parliament passed the Medical Devices Regulation (Regulation 2017/745), which repeals and replaces the EU Medical Devices Directive. Unlike directives, which must be implemented into the national laws of the EEA member states, the regulations would be directly applicable (i.e., without the need for adoption of EEA member state laws implementing them) in all EEA member states and are intended to eliminate current differences in the regulation of medical devices among EEA member states. The Medical Devices Regulation, among other things, is intended to establish a uniform, transparent, predictable and sustainable regulatory framework across the EEA for medical devices and ensure a high level of safety and health while supporting innovation.

The Medical Devices Regulation will, however, only become effective three years after publication (in 2020). Once effective, the new regulations will among other things:

- Strengthen the rules on placing devices on the market and reinforce surveillance once they are available;
- Establish explicit provisions on manufacturers' responsibilities for the follow-up of the quality, performance and safety of devices placed on the market;
- Improve the traceability of medical devices throughout the supply chain to the end-user or patient through a unique identification number;

- Set up a central database to provide patients, healthcare professionals and the public with comprehensive information on products available in the EU; and

- Strengthen the rules for the assessment of certain high-risk devices, which may have to undergo an additional check by experts before they are placed on the market.

These modifications may have an effect on the way we conduct our business in the EEA.

Changes in funding for the FDA and other government agencies could hinder their ability to hire and retain key leadership and other personnel, or otherwise prevent new products and services from being developed or commercialized in a timely manner, which could negatively impact our business.

The ability of the FDA to review and approve new products can be affected by a variety of factors, including government budget and funding levels, ability to hire and retain key personnel and accept the payment of user fees, and statutory, regulatory, and policy changes. Average review times at the agency have fluctuated in recent years as a result. In addition, government funding of other government agencies that fund research and development activities is subject to the political process, which is inherently fluid and unpredictable.

Disruptions at the FDA and other agencies may also slow the time necessary for new devices to be reviewed and/or approved or cleared by necessary government agencies, which would adversely affect our business. For example, over the last several years, including for 35 days beginning on December 22, 2018, the U.S. government has shut down several times and certain regulatory agencies, such as the FDA, have had to furlough critical FDA employees and stop critical activities. If a prolonged government shutdown occurs, it could significantly impact the ability of the FDA to timely review and process our regulatory submissions, which could have a material adverse effect on our business.

The clinical trial process is lengthy and expensive with uncertain outcomes. We have limited data and experience regarding the safety and efficacy of our products. Results of earlier studies may not be predictive of future clinical trial results, or the safety or efficacy profile for such products.

Clinical testing is difficult to design and implement, can take many years, can be expensive and carries uncertain outcomes. We are currently enrolling patients in our CLOUT and FLASH registries and may in the future conduct additional clinical trials for our future products. The results of preclinical studies and clinical trials of our products conducted to date and ongoing or future studies and trials of our current, planned or future products may not be predictive of the results of later clinical trials, and interim results of a clinical trial do not necessarily predict final results. Our interpretation of data and results from our clinical trials do not ensure that we will achieve similar results in future clinical trials. In addition, preclinical and clinical data are often susceptible to various interpretations and analyses, and many companies that have believed their products performed satisfactorily in preclinical studies and earlier clinical trials have nonetheless failed to produce strong results in later clinical trials. . Products in later stages of clinical trials may fail to show the desired safety and efficacy despite having progressed through nonclinical studies and earlier clinical trials. We incur substantial expense for, and devote significant time to, clinical trials but cannot be certain that the trials will continue to result in commercial revenue. Failure can occur at any stage of clinical testing. Our clinical trials may produce negative or inconclusive results, and we may decide, or regulators may require us, to conduct additional clinical and non-clinical testing in addition to those we have planned.

The initiation and completion of any of clinical trials may be prevented, delayed, or halted for numerous reasons. We may experience delays in our ongoing clinical trials for a number of reasons, which could adversely affect the costs, timing or successful completion of our clinical trials, including related to the following:

- We may be required to submit an Investigational Device Exemption, or IDE, application to FDA, which must become effective prior to commencing certain human clinical trials of medical devices, and FDA may reject our IDE application and notify us that we may not begin clinical trials;

- Regulators and other comparable foreign regulatory authorities may disagree as to the design or implementation of our clinical trials;
- Regulators and/or institutional review boards, or IRBs, or other reviewing bodies may not authorize us or our investigators to commence a clinical trial, or to conduct or continue a clinical trial at a prospective or specific trial site;
- We may not reach agreement on acceptable terms with prospective contract research organizations, or CROs, and clinical trial sites, the terms of which can be subject to extensive negotiation and may vary significantly among different CROs and trial sites;
- Clinical trials may produce negative or inconclusive results, and we may decide, or regulators may require us, to conduct additional clinical trials or abandon product development programs;
- The number of subjects or patients required for clinical trials may be larger than we anticipate, enrollment in these clinical trials may be insufficient or slower than we anticipate, and the number of clinical trials being conducted at any given time may be high and result in fewer available patients for any given clinical trial, or patients may drop out of these clinical trials at a higher rate than we anticipate;
- Our third-party contractors, including those manufacturing products or conducting clinical trials on our behalf, may fail to comply with regulatory requirements or meet their contractual obligations to us in a timely manner, or at all;
- We might have to suspend or terminate clinical trials for various reasons, including a finding that the subjects are being exposed to unacceptable health risks;
- We may have to amend clinical trial protocols or conduct additional studies to reflect changes in regulatory requirements or guidance, which we may be required to submit to an IRB and/or regulatory authorities for re-examination;
- Regulators, IRBs, or other parties may require or recommend that we or our investigators suspend or terminate clinical research for various reasons, including safety signals or noncompliance with regulatory requirements;
- The cost of clinical trials may be greater than we anticipate;
- Clinical sites may not adhere to our clinical protocol or may drop out of a clinical trial;
- We may be unable to recruit a sufficient number of clinical trial sites;
- Regulators, IRBs, or other reviewing bodies may fail to approve or subsequently find fault with our manufacturing processes or facilities of third-party manufacturers with which we enter into agreement for clinical and commercial supplies, the supply of devices or other materials necessary to conduct clinical trials may be insufficient, inadequate or not available at an acceptable cost, or we may experience interruptions in supply;
- Approval policies or regulations of FDA or applicable foreign regulatory agencies may change in a manner rendering our clinical data insufficient for approval; and
- Our current or future products may have undesirable side effects or other unexpected characteristics.

Any of these occurrences may significantly harm our business, financial condition and prospects. In addition, many of the factors that cause, or lead to, a delay in the commencement or completion of clinical trials may also ultimately lead to the denial of regulatory approval of our product candidates.

Patient enrollment in clinical trials and completion of patient follow-up depend on many factors, including the size of the patient population, the nature of the trial protocol, the proximity of patients to clinical sites, the eligibility criteria for the clinical trial, patient compliance, competing clinical trials and clinicians' and patients' perceptions as to the potential advantages of the product being studied in relation to other available therapies, including any new treatments that may be approved for the indications we are investigating. For example, patients may be discouraged from enrolling in our clinical trials if the trial protocol requires them to undergo extensive post-treatment procedures, monitoring or follow-up to assess the safety and efficacy of a product candidate, or they may be persuaded to participate in contemporaneous clinical trials of a competitor's product candidate. In addition, patients participating in our clinical trials may drop out before completion of the trial or experience adverse medical events unrelated to our products. Delays in patient enrollment or failure of patients to continue to participate in a clinical trial may delay commencement or completion of the clinical trial, cause an increase in the costs of the clinical trial and delays, or result in the failure of the clinical trial.

Clinical trials must be conducted in accordance with the laws and regulations of the FDA and other applicable regulatory authorities' legal requirements, regulations or guidelines, and are subject to oversight by these governmental agencies and IRBs at the medical institutions where the clinical trials are conducted. In addition, clinical trials must be conducted with supplies of our devices produced under current good manufacturing practice, or cGMP, requirements and other regulations. Furthermore, we may rely on CROs, and clinical trial sites to ensure the proper and timely conduct of our clinical trials and we may have limited influence over their actual performance. We depend on our collaborators and on medical institutions and CROs to conduct our clinical trials in compliance with good clinical practice, or GCP, requirements. To the extent our collaborators or the CROs fail to enroll participants for our clinical trials, fail to conduct the study to GCP standards or are delayed for a significant time in the execution of trials, including achieving full enrollment, we may be affected by increased costs, program delays or both. In addition, clinical trials that are conducted in countries outside the United States may subject us to further delays and expenses as a result of increased shipment costs, additional regulatory requirements and the engagement of non-U.S. CROs, as well as expose us to risks associated with clinical investigators who are unknown to the FDA, and different standards of diagnosis, screening and medical care.

Even if our future products are cleared or approved in the United States, commercialization of our products in foreign countries would require clearance or approval by regulatory authorities in those countries. Clearance or approval procedures vary among jurisdictions and can involve requirements and administrative review periods different from, and greater than, those in the United States, including additional preclinical studies or clinical trials. Any of these occurrences could have an adverse effect on our business, financial condition and results of operations.

We are subject to certain federal, state and foreign fraud and abuse laws, health information privacy and security laws and transparency laws that could subject us to substantial penalties. Additionally, any challenge to or investigation into our practices under these laws could cause adverse publicity and be costly to respond to, and thus could harm our business.

There are numerous U.S. federal and state, as well as foreign, laws pertaining to healthcare fraud and abuse, including anti-kickback, false claims and physician transparency laws. Our business practices and relationships with providers are subject to scrutiny under these laws. We may also be subject to privacy and security regulation related to patient, customer, employee and other third-party information by both the federal government and the states and foreign jurisdictions in which we conduct our business. The healthcare laws and regulations that may affect our ability to operate include, but are not limited to:

- The federal Anti-Kickback Statute, which prohibits, among other things, persons and entities from knowingly and willfully soliciting, offering, receiving or providing remuneration, directly or

indirectly, in cash or in kind, to induce either the referral of an individual or furnishing or arranging for a good or service, for which payment may be made, in whole or in part, under federal healthcare programs, such as Medicare and Medicaid. A person or entity does not need to have actual knowledge of the statute or specific intent to violate it to have committed a violation. The U.S. government has interpreted this law broadly to apply to the marketing and sales activities of manufacturers. Moreover, the government may assert that a claim including items or services resulting from a violation of the federal Anti-Kickback Statute constitutes a false or fraudulent claim for purposes of the federal civil False Claims Act. Violations of the federal Anti-Kickback Statute may result in civil monetary penalties up to $100,000 for each violation, plus up to three times the remuneration involved. Civil penalties for such conduct can further be assessed under the federal False Claims Act. Violations can also result in criminal penalties, including criminal fines of up to $100,000 and imprisonment of up to 10 years. Similarly, violations can result in exclusion from participation in government healthcare programs, including Medicare and Medicaid;

- The federal civil and criminal false claims laws and civil monetary penalties laws, including the federal civil False Claims Act, which prohibit, among other things, individuals or entities from knowingly presenting, or causing to be presented, claims for payment from Medicare, Medicaid or other federal healthcare programs that are false or fraudulent. These laws can apply to manufacturers who provide information on coverage, coding, and reimbursement of their products to persons who bill third-party payors. Private individuals can bring False Claims Act “qui tam” actions, on behalf of the government and such individuals, commonly known as “whistleblowers,” may share in amounts paid by the entity to the government in fines or settlement. When an entity is determined to have violated the federal civil False Claims Act, the government may impose civil fines and penalties ranging from $11,181 to $22,363 for each false claim, plus treble damages, and exclude the entity from participation in Medicare, Medicaid and other federal healthcare programs;

- The federal Civil Monetary Penalties Law, which prohibits, among other things, offering or transferring remuneration to a federal healthcare beneficiary that a person knows or should know is likely to influence the beneficiary’s decision to order or receive items or services reimbursable by the government from a particular provider or supplier;

- The Health Insurance Portability and Accountability Act of 1996, or HIPAA, which created additional federal criminal statutes that prohibit, among other things, executing a scheme to defraud any healthcare benefit program and making false statements relating to healthcare matters. Similar to the federal Anti-Kickback Statute, a person or entity does not need to have actual knowledge of the statute or specific intent to violate it to have committed a violation;

- The federal Physician Payments Sunshine Act under the Patient Protection and Affordable Care Act, as amended by the Health Care and Education Reconciliation Act of 2010, collectively referred to as the Affordable Care Act, and its implementing regulations, which require certain applicable manufacturers of drugs, devices, biologics and medical supplies for which payment is available under Medicare, Medicaid or the Children’s Health Insurance Program, or CHIP, to report annually to the DHHS Centers for Medicare and Medicaid Services, or CMS, information related to payments and other transfers of value to physicians, which is defined broadly to include other healthcare providers and teaching hospitals, and applicable manufacturers and group purchasing organizations, to report annually ownership and investment interests held by physicians and their immediate family members. Additionally, on October 25, 2018, President Trump signed into law the “Substance Use-Disorder Prevention that Promoted Opioid Recovery and Treatment for Patients and Communities Act” which in part (under a provision entitled “Fighting the Opioid Epidemic with Sunshine”) extends the reporting and transparency requirements for physicians in the Physician Payments Sunshine Act to physician assistants, nurse practitioners, and other mid-level practitioners (with reporting requirements going into effect in 2022 for payments made in 2021).

Applicable manufacturers are required to submit annual reports to CMS. Failure to submit required information may result in civil monetary penalties of $11,278 per failure up to an aggregate of $169,170 per year (or up to an aggregate of $1.128 million per year for "knowing failures"), for all payments, transfers of value or ownership or investment interests that are not timely, accurately, and completely reported in an annual submission, and may result in liability under other federal laws or regulations;

- HIPAA, as amended by the Health Information Technology for Economic and Clinical Health Act of 2009, or HITECH Act, and their respective implementing regulations, which impose requirements on certain covered healthcare providers, health plans and healthcare clearinghouses as well as their business associates that perform services for them that involve individually identifiable health information, relating to the privacy, security and transmission of individually identifiable health information without appropriate authorization, including mandatory contractual terms as well as directly applicable privacy and security standards and requirements. Failure to comply with the HIPAA privacy and security standards can result in civil monetary penalties up to $57,051 per violation, not to exceed $1.71 million per calendar year for non-compliance of an identical provision, and, in certain circumstances, criminal penalties with fines up to $250,000 per violation and/or imprisonment. State attorneys general can also bring a civil action to enjoin a HIPAA violation or to obtain statutory damages on behalf of residents of his or her state;

- The FDCA, which prohibits, among other things, the adulteration or misbranding of drugs, biologics and medical devices;

- Federal and state laws and regulations regarding billing and claims payment applicable to our products and regulatory agencies enforcing those laws and regulations; and

- Analogous state and foreign law equivalents of each of the above federal laws, such as anti-kickback and false claims laws which may apply to items or services reimbursed by any third-party payor, including commercial insurers or patients; state laws that require device companies to comply with the industry's voluntary compliance guidelines and the applicable compliance guidance promulgated by the federal government or otherwise restrict payments that may be made to healthcare providers and other potential referral sources; state laws that require device manufacturers to report information related to payments and other transfers of value to physicians and other healthcare providers or marketing expenditures; consumer protection and unfair competition laws, which broadly regulate marketplace activities and activities that potentially harm customers, foreign and state laws, including the EU General Data Protection Regulation, or GDPR, governing the privacy and security of health information in certain circumstances, many of which differ from each other in significant ways and may not have the same effect, thus complicating compliance efforts; and state laws related to insurance fraud in the case of claims involving private insurers.

These laws and regulations, among other things, constrain our business, marketing and other promotional activities by limiting the kinds of financial arrangements, including sales programs, we may have with hospitals, physicians or other potential purchasers of our products. We have entered into consulting agreements with physicians, including some who have ownership interests in us, which could be viewed as influencing the purchase of or use of our products in procedures they perform. Compensation under some of these arrangements includes the provision of stock or stock options. Due to the breadth of these laws, the narrowness of statutory exceptions and regulatory safe harbors available, and the range of interpretations to which they are subject, it is possible that some of our current or future practices might be challenged under one or more of these laws.

Any action brought against us for violations of these laws or regulations, even if successfully defended, could cause us to incur significant legal expenses and divert our management's attention from the operation of

our business. We may be subject to private qui tam actions brought by individual whistleblowers on behalf of the federal or state governments, with potential liability under the federal False Claims Act including mandatory treble damages and significant per-claim penalties.

To enforce compliance with the healthcare regulatory laws, certain enforcement bodies have recently increased their scrutiny of interactions between healthcare companies and healthcare providers, which has led to a number of investigations, prosecutions, convictions and settlements in the healthcare industry. Responding to investigations can be time-and resource-consuming and can divert management's attention from the business. Additionally, as a result of these investigations, healthcare providers and entities may have to agree to additional compliance and reporting requirements as part of a consent decree or corporate integrity agreement. Any such investigation or settlement could increase our costs or otherwise have an adverse effect on our business, financial condition and results of operations. Even an unsuccessful challenge or investigation into our practices could cause adverse publicity, and be costly to respond to.

Although we have adopted policies and procedures designed to comply with these laws and regulations and conduct internal reviews of our compliance with these laws, our activities, including those relating to providing billing, coding, cover and reimbursement information about our products to our customers and the sale and marketing of our products, may be subject to scrutiny under these laws. The growth of our business and sales organization and our expansion outside of the United States may increase the potential of violating these laws or our internal policies and procedures. Any action brought against us for violation of these or other laws or regulations, even if we successfully defend against it, could cause us to incur significant legal expenses and divert our management's attention from the operation of our business. If our operations are found to be in violation of any of the federal, state and foreign laws described above or any other current or future fraud and abuse or other healthcare laws and regulations that apply to us, we may be subject to significant penalties, including significant criminal, civil, and administrative penalties, damages, fines, exclusion from participation in government programs, such as Medicare and Medicaid, imprisonment, contractual damages, reputation harm and disgorgement and we could be required to curtail, restructure or cease our operations. Any of the foregoing consequences will negatively affect our business, financial condition and results of operations.

We are subject to governmental regulations and other legal obligations, particularly related to privacy, data protection and information security, and we are subject to consumer protection laws that regulate our marketing practices and prohibit unfair or deceptive acts or practices. Our actual or perceived failure to comply with such obligations could harm our business. Ensuring compliance with such laws could also impair our efforts to maintain and expand our customer base, and thereby decrease our revenue.

In the conduct of our business, we may at times process personal data, including health-related personal data. The U.S. federal government and various states have adopted or proposed laws, regulations, guidelines and rules for the collection, distribution, use and storage of personal information of individuals. We may also be subject to U.S. federal rules, regulations and guidance concerning data security for medical devices, including guidance from the FDA. According to the Federal Trade Commission, or the FTC, failing to take appropriate steps to keep consumers' personal information secure constitutes unfair acts or practices in or affecting commerce in violation of Section 5(a) of the Federal Trade Commission Act, 15 U.S.C § 45(a). The FTC expects a company's data security measures to be reasonable and appropriate in light of the sensitivity and volume of consumer information it holds, the size and complexity of its business, and the cost of available tools to improve security and reduce vulnerabilities. Individually identifiable health information is considered sensitive data that merits stronger safeguards. State privacy and security laws vary from state to state and, in some cases, can impose more restrictive requirements than U.S. federal law.

In addition, certain state and non-US laws, such as the European Union General Data Protection Regulation (2016/679), or GDPR, govern the privacy and security of health information in certain circumstances, some of which are more stringent than U.S. federal law and many of which differ from each other in significant ways and may not have the same effect, thus complicating compliance efforts. Failure to comply with these laws,

where applicable, can result in the imposition of significant civil and/or criminal penalties and private litigation. Where state laws are more protective, we must comply with the stricter provisions. In addition to fines and penalties that may be imposed for failure to comply with state law, some states also provide for private rights of action to individuals for misuse of personal information. For example, California enacted the California Consumer Privacy Act, or CCPA, on June 28, 2018, which takes effect on January 1, 2020. The CCPA creates individual privacy rights for California consumers and increases the privacy and security obligations of entities handling certain personal data. The CCPA provides for civil penalties for violations, as well as a private right of action for data breaches that is expected to increase data breach litigation. The CCPA may increase our compliance costs and potential liability, and many similar laws have been proposed at the federal level and in other states. In Europe, the GDPR went into effect in May 2018 and introduces strict requirements for processing the personal data of European Union data subjects. Companies that must comply with the GDPR face increased compliance obligations and risk, including more robust regulatory enforcement of data protection requirements and potential fines for noncompliance of up to €20 million or 4% of the annual global revenues of the noncompliant company, whichever is greater.

Any actual or perceived failure by us or the third parties with whom we work to comply with privacy or security laws, policies, legal obligations or industry standards, or any security incident that results in the unauthorized release or transfer of personally identifiable information, may result in governmental enforcement actions and investigations including by European Data Protection Authorities and U.S. federal and state regulatory authorities, fines and penalties, litigation and/or adverse publicity, including by consumer advocacy groups, and could cause our customers, their patients and other healthcare professionals to lose trust in us, which could harm our reputation and have a material adverse effect on our business, financial condition and results of operations.

We cannot assure you that any third-party service providers with access to our or our customers', suppliers', trial patients' and employees' personally identifiable and other sensitive or confidential information in relation to which we are responsible will not breach contractual obligations imposed by us, or that they will not experience data security breaches or attempts thereof, which could have a corresponding effect on our business, including putting us in breach of our obligations under privacy laws and regulations and/or which could in turn adversely affect our business, results of operations and financial condition. We cannot assure you that our contractual measures and our own privacy and security-related safeguards will protect us from the risks associated with the third-party processing, storage and transmission of such information. Increasing use of social media could also give rise to liability, breaches of data security or reputational damage.

Although we work to comply with applicable laws, regulations and standards, our contractual obligations and other legal obligations, these requirements are evolving and may be modified, interpreted and applied in an inconsistent manner from one jurisdiction to another, and may conflict with one another or other legal obligations with which we must comply. Any failure or perceived failure by us or our employees, representatives, contractors, consultants, CROs, collaborators, or other third parties to comply with such requirements or adequately address privacy and security concerns, even if unfounded, could result in additional cost and liability to us, damage our reputation, and adversely affect our business and results of operations.

Our employees, consultants, and other commercial partners may engage in misconduct or other improper activities, including non-compliance with regulatory standards and requirements.

We are exposed to the risk that our employees, consultants, and other commercial partners and business associates may engage in fraudulent or illegal activity. Misconduct by these parties could include intentional, reckless or negligent conduct or other unauthorized activities that violate the regulations of the FDA and other regulators (both domestic and foreign), including those laws requiring the reporting of true, complete and accurate information to such regulators, manufacturing standards, healthcare fraud and abuse laws and regulations in the United States and internationally or laws that require the true, complete and accurate reporting of financial information or data. In particular, sales, marketing and business arrangements in the healthcare industry, including the sale of medical devices, are subject to extensive laws and regulations intended to prevent

fraud, misconduct, kickbacks, self-dealing and other abusive practices. These laws and regulations may restrict or prohibit a wide range of pricing, discounting, marketing and promotion, sales commission, customer incentive programs and other business arrangements. It is not always possible to identify and deter misconduct by our employees, consultants and other third parties, and the precautions we take to detect and prevent this activity may not be effective in controlling unknown or unmanaged risks or losses or in protecting us from governmental investigations or other actions or lawsuits stemming from a failure to comply with these laws or regulations. If any such actions are instituted against us and we are not successful in defending ourselves or asserting our rights, those actions could result in the imposition of significant fines or other sanctions, including the imposition of civil, criminal and administrative penalties, damages, monetary fines, possible exclusion from participation in Medicare, Medicaid and other federal healthcare programs, contractual damages, reputational harm, diminished profits and future earnings, and curtailment of operations, any of which could adversely affect our business, financial condition and results of operations. Whether or not we are successful in defending against such actions or investigations, we could incur substantial costs, including legal fees and reputational harm, and divert the attention of management in defending ourselves against any of these claims or investigations.

Compliance with environmental laws and regulations could be expensive, and the failure to comply with these laws and regulations could subject us to significant liability.

Our research, development and manufacturing operations involve the use of hazardous substances, such as isopropyl alcohol and various adhesives. We are subject to a variety of federal, state, local and foreign environmental laws and regulations relating to the storage, use, handling, generation, manufacture, treatment, discharge and disposal of, hazardous substances. Our products may also contain hazardous substances, and they are subject laws and regulations relating to labelling requirements and to their sale, collection, recycling, treatment, storage and disposal. Compliance with these laws and regulations may be expensive and noncompliance could result in substantial fines and penalties. Environmental laws and regulations also impose liability for the remediation of releases of hazardous substances into the environment and for personal injuries resulting from exposure to hazardous substances, and they can give rise to substantial remediation costs and to third-party claims, including for property damage and personal injury. Liability under environmental laws and regulations can be joint and several and without regard to fault or negligence, and they tend to become more stringent over time, imposing greater compliance costs and increased risks and penalties associated with violations. We cannot assure you that violations of these laws and regulations, or releases of or exposure to hazardous substances, will not occur in the future or have not occurred in the past, including as a result of human error, accidents, equipment failure or other causes. The costs of complying with environmental laws and regulations, and liabilities that may be imposed for violating them, or for remediation obligations or responding to third-party claims, could negatively affect our business, financial condition and results of operations.

Healthcare policy changes, including recently enacted legislation reforming the U.S. healthcare system, could harm our business, financial condition and results of operations.

In the United States, there have been and continue to be a number of legislative initiatives to contain healthcare costs. Federal and state lawmakers regularly propose and, at times, enact legislation that would result in significant changes to the healthcare system, some of which are intended to contain or reduce the costs of medical products and services. Current and future legislative proposals to further reform healthcare or reduce healthcare costs may limit coverage of or lower reimbursement for the procedures associated with the use of our products. The cost containment measures that payors and providers are instituting and the effect of any healthcare reform initiative implemented in the future could impact our revenue from the sale of our products. The Affordable Care Act made a number of substantial changes in the way healthcare is financed by both governmental and private insurers. Among other ways in which it may affect our business, the Affordable Care Act:

- Established a new Patient-Centered Outcomes Research Institute to oversee and identify priorities in comparative clinical effectiveness research in an effort to coordinate and develop such research;

- Implemented payment system reforms including a national pilot program on payment bundling to encourage hospitals, physicians and other providers to improve the coordination, quality and efficiency of certain healthcare services through bundled payment models; and

- Expanded the eligibility criteria for Medicaid programs.

We do not yet know the full impact that the Affordable Care Act will have on our business. The taxes imposed by the Affordable Care Act and the expansion in the government's role in the U.S. healthcare industry may result in decreased profits to us, lower reimbursement by payors for our FlowTriever System and/or ClotTriever System, and/or reduced medical procedure volumes, all of which may have a material adverse effect on our business, financial condition and results of operations. The Trump administration and the U.S. Congress may take further action regarding the Affordable Care Act, including, but not limited to, repeal or replacement. Most recently, the Tax Cuts and Jobs Act of 2017 was enacted, which, among other things, removes penalties for not complying with the individual mandate to carry health insurance. Additionally, all or a portion of the Affordable Care Act and related subsequent legislation may be modified, repealed or otherwise invalidated through judicial challenge, which could result in lower numbers of insured individuals, reduced coverage for insured individuals and adversely affect our business. On December 14, 2018, a U.S. District Court Judge in the Northern District of Texas (Texas District Court Judge) ruled that the individual mandate is a critical and inseverable feature of the ACA, and therefore, because it was repealed as part of the Tax Act, the remaining provisions of the ACA are invalid as well. While the Texas District Court Judge, as well as the Trump administration and CMS, have stated that the ruling will have no immediate effect, it is unclear how this decision, subsequent appeals, and other efforts to repeal and replace the ACA will impact the ACA and our business.

In addition, other legislative changes have been proposed and adopted since the Affordable Care Act was enacted. The Budget Control Act of 2011, among other things, reduced Medicare payments to providers by 2% per fiscal year, effective on April 1, 2013 and, due to subsequent legislative amendments to the statute, will remain in effect through 2027 unless additional Congressional action is taken. Additionally, the American Taxpayer Relief Act of 2012, among other things, reduced Medicare payments to several providers, including hospitals, and increased the statute of limitations period for the government to recover overpayments to providers from three to five years. The Medicare Access and CHIP Reauthorization Act of 2015, or MACRA, enacted on April 16, 2015, repealed the formula by which Medicare made annual payment adjustments to physicians and replaced the former formula with fixed annual updates and a new system of incentive payments that are based on various performance measures and physicians' participation in alternative payment models such as accountable care organizations. It is unclear what effect new quality and payment programs, such as MACRA, may have on our business, financial condition, results of operations or cash flows.

We expect additional state and federal healthcare policies and reform measures to be adopted in the future, any of which could limit reimbursement for healthcare products and services or otherwise result in reduced demand for our FlowTriever and/or ClotTriever or additional pricing pressure and have a material adverse effect on our industry generally and on our customers. We cannot predict what other healthcare programs and regulations will ultimately be implemented at the federal or state level or the effect of any future legislation or regulation in the United States may negatively affect our business, financial condition and results of operations. The continuing efforts of the government, insurance companies, managed care organizations and other payors of healthcare services to contain or reduce costs of healthcare may adversely affect:

- our ability to set a price that we believe is fair for our FlowTriever and ClotTriever products;

- our ability to generate revenue and achieve or maintain profitability; and

- the availability of capital.

Any changes of, or uncertainty with respect to, future coverage or reimbursement rates could affect demand for our FlowTriever System and/or ClotTriever System, which in turn could impact our ability to successfully commercialize these devices and could have a material adverse effect on our business, financial condition and results of operations.

Risks Related to This Offering

Our common stock has never been publicly traded, and we expect that the price of our common stock will fluctuate substantially.

Before this initial public offering, there has been no public market for our common stock. The initial public offering price for our common stock will be determined through negotiations between the underwriters and us and may vary substantially from the market price of our common stock following this offering. An active public trading market may not develop after completion of this offering or, if developed, may not be sustained. The lack of an active market may impair your ability to sell your shares at the time you wish to sell them or at a price that you consider reasonable. An inactive market may also impair our ability to raise capital by selling shares and may impair our ability to acquire other products, technologies or businesses using our shares as consideration. Furthermore, although we expect our common stock to be listed on the Nasdaq Global Market, even if listed, there can be no guarantee that we will continue to satisfy the continued listing standards of the Nasdaq Global Market. If we fail to satisfy the continued listing standards, we could be de-listed, which would have a negative effect on the price of our common stock.

Following this offering, the market price of our common stock may be highly volatile and may fluctuate or decline substantially as a result of a variety of factors, some of which are beyond our control or are related in complex ways, including:

- Changes in analysts' estimates, investors' perceptions, recommendations by securities analysts or our failure to achieve analysts' estimates;
- Quarterly variations in our or our competitors' results of operations;
- Periodic fluctuations in our revenue, which could be due in part to the way in which we recognize revenue;
- The financial projections we may provide to the public, any changes in these projections or our failure to meet these projections;
- Future sales of our common stock or other securities, by us or our stockholders, as well as the anticipation of lock-up releases or lock-up waivers;
- The trading volume of our common stock;
- General market conditions and other factors unrelated to our operating performance or the operating performance of our competitors;
- Changes in reimbursement by current or potential payors;
- Changes in operating performance and stock market valuations of other technology companies generally, or those in the medical device industry in particular;
- Actual or anticipated changes in regulatory oversight of our products;

- The results of our clinical trials;
- The loss of key personnel, including changes in our board of directors and management;
- Product recalls or other problems associated with our products;
- Legislation or regulation of our market;
- Lawsuits threatened or filed against us, including litigation by current or former employees alleging wrongful termination, sexual harassment, whistleblower or other claims;
- The announcement of new products or product enhancements by us or our competitors;
- Announced or completed acquisitions of businesses or technologies by us or our competitors;
- Announcements related to patents issued to us or our competitors and related litigation; and
- Developments in our industry.

In recent years, the stock markets generally have experienced extreme price and volume fluctuations that have often been unrelated or disproportionate to the operating performance of listed companies. Broad market and industry factors may significantly affect the market price of our common stock, regardless of our actual operating performance. These fluctuations may be even more pronounced in the trading market for our common stock shortly following this offering. If the market price of shares of our common stock after this offering does not ever exceed the initial public offering price, you may not realize any return on your investment in us and may lose some or all of your investment.

In addition, in the past, stockholders have instituted securities class action litigation following periods of market volatility. If we were to become involved in securities litigation, it could subject us to substantial costs, divert resources and the attention of management from our business and harm our business, results of operations, financial condition and reputation. These factors may materially and adversely affect the market price of our common stock.

Securities analysts may not publish favorable research or reports about our business or may publish no information at all, which could cause our stock price or trading volume to decline.

Our stock price and trading volume may be heavily influenced by the way analysts and investors interpret our financial information and other disclosures. If securities or industry analysts do not publish research or reports about our business, delay publishing reports about our business, or publish negative reports about our business, regardless of accuracy, our common stock price and trading volume could decline.

If a trading market for our common stock develops, the trading market will be influenced to some extent by the research and reports that industry or financial analysts publish about us and our business. We do not control these analysts. As a newly public company, we may be slow to attract research coverage and the analysts who publish information about our common stock will have had relatively little experience with us or our industry, which could affect their ability to accurately forecast our results and could make it more likely that we fail to meet their estimates. In the event we obtain securities or industry analyst coverage, if any of the analysts who cover us provide inaccurate or unfavorable research or issue an adverse opinion regarding our stock price, our stock price could decline. If one or more of these analysts cease coverage of us or fail to publish reports covering us regularly, we could lose visibility in the market, which in turn could cause our stock price or trading volume to decline.

Even if our common stock is actively covered by analysts, we do not have any control over the analysts or the measures that analysts or investors may rely upon to forecast our future results. Over-reliance by analysts or investors on any particular metric to forecast our future results may lead to forecasts that differ significantly from our own.

We are an emerging growth company and a smaller reporting company and we cannot be certain if the reduced disclosure requirements applicable to us will make our common stock less attractive to investors.

We are an "emerging growth company," as defined in the JOBS Act, and we expect to take advantage of certain exemptions and relief from various reporting requirements that are applicable to other public companies that are not emerging growth companies. In particular, while we are an emerging growth company, we will not be required to comply with the auditor attestation requirements of Section 404(b) of the Sarbanes-Oxley Act of 2002, or the Sarbanes-Oxley Act; we will be exempt from any rules that could be adopted by the Public Company Accounting Oversight Board requiring mandatory audit firm rotations or a supplement to the auditor's report on financial statements; we will be subject to reduced disclosure obligations regarding executive compensation in our periodic reports and proxy statements; and we will not be required to hold nonbinding advisory votes on executive compensation or stockholder approval of any golden parachute payments not previously approved.

In addition, while we are an emerging growth company we can take advantage of an extended transition period for complying with new or revised accounting standards. This allows an emerging growth company to delay the adoption of certain accounting standards until those standards would otherwise apply to private companies. We have elected to take advantage of this extended transition period and, as a result, our operating results and financial statements may not be comparable to the operating results and financial statements of companies who have adopted the new or revised accounting standards.

We may remain an emerging growth company until as late as December 31, 2025, the fiscal year-end following the fifth anniversary of the completion of this initial public offering, though we may cease to be an emerging growth company earlier under certain circumstances, including if (i) we have more than $1.07 billion in annual revenue in any fiscal year, (ii) the market value of our common stock that is held by non-affiliates exceeds $700 million as of any June 30 or (iii) we issue more than $1.0 billion of non-convertible debt over a three-year period.

We are also a "smaller reporting company" as defined in the Exchange Act. We may continue to be a smaller reporting company even after we are no longer an emerging growth company. We may take advantage of certain of the scaled disclosures available to smaller reporting companies and will be able to take advantage of these scaled disclosures for so long as our voting and non-voting common stock held by non-affiliates is less than $250.0 million measured on the last business day of our second fiscal quarter, or our annual revenue is less than $100.0 million during the most recently completed fiscal year and our voting and non-voting common stock held by non-affiliates is less than $700.0 million measured on the last business day of our second fiscal quarter.

Investors may find our common stock less attractive to the extent we rely on the exemptions and relief granted by the JOBS Act. If some investors find our common stock less attractive as a result, there may be a less active trading market for our common stock and our stock price may decline or become more volatile.

If our estimates or judgments relating to our critical accounting policies are based on assumptions that change or prove to be incorrect, our operating results could fall below our publicly announced guidance or the expectations of securities analysts and investors, resulting in a decline in the market price of our common stock.

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the amounts reported in our financial

statements and accompanying notes. We base our estimates on historical experience and on various other assumptions that we believe to be reasonable under the circumstances, the results of which form the basis for making judgments about the carrying values of assets, liabilities, equity, revenue and expenses that are not readily apparent from other sources. In connection with our adoption and implementation of the new revenue accounting standard, management made judgments and assumptions based on our interpretation of the new standard. The new revenue standard is principle-based and interpretation of those principles may vary from company to company based on their unique circumstances. It is possible that interpretation, industry practice and guidance may evolve. If our assumptions change or if actual circumstances differ from our assumptions, our operating results may be adversely affected and could fall below our publicly announced guidance or the expectations of securities analysts and investors, resulting in a decline in the market price of our common stock.

If you purchase our common stock in this offering, you will incur immediate and substantial dilution in the book value of your shares.

Investors purchasing common stock in this offering will pay a price per share that substantially exceeds the pro forma as adjusted net tangible book value per share. As a result, investors purchasing common stock in this offering will incur immediate dilution of $ per share (or $ per share if the underwriters exercise their option to purchase additional shares in full), based on an assumed initial public offering price of $ per share, the midpoint of the price range set forth on the cover page of this prospectus, and our pro forma as adjusted net tangible book value per share as of December 31, 2019. For more information on the dilution you may suffer as a result of investing in this offering, see the section of this prospectus entitled “Dilution.” If outstanding options or warrants are exercised in the future, you will experience additional dilution.

This dilution is due to the substantially lower price paid by our investors who purchased shares prior to this offering as compared to the price offered to the public in this offering.

A significant portion of our total outstanding shares are restricted from immediate resale but may be sold into the market in the near future. This could cause the market price of our common stock to drop significantly, even if our business is doing well.

Sales of a substantial number of shares of our common stock in the public market could occur at any time. These sales, or the perception in the market that the holders of a large number of shares intend to sell their shares, could result in a decrease in the market price of our common stock. Immediately after this offering, we will have shares of common stock outstanding based on the number of shares outstanding as of December 31, 2019. This includes the shares that we are selling in this offering, which may be resold in the public market immediately without restriction, unless purchased by our affiliates. Of the remaining shares, shares are currently restricted as a result of securities laws or 180-day lock-up agreements (which may be waived, with or without notice, by BofA Securities, Inc. and Morgan Stanley & Co. LLC) but will be able to be sold after the offering as described in the section of this prospectus entitled “Shares Eligible for Future Sale.” Moreover, after this offering, holders of an aggregate of up to shares of our common stock, including shares of our common stock issuable upon the conversion of the shares of our convertible preferred stock that will be outstanding immediately prior to the consummation of this offering, will have rights, subject to some conditions, to require us to file registration statements covering their shares or to include their shares in registration statements that we may file for ourselves or other stockholders as described in the section of this prospectus entitled “Description of Capital Stock—Registration Rights.” We also intend to register all shares of common stock that we may issue under our equity compensation plans. Once we register these shares, they can be freely sold in the public market, subject to volume limitations applicable to affiliates and the lock-up agreements described in the section of this prospectus entitled “Underwriting.”

Our directors, officers and principal stockholders have significant voting power and may take actions that may not be in the best interests of our other stockholders.

After this offering, our officers, directors and principal stockholders each holding more than 5% of our common stock will collectively control approximately % of our outstanding common stock (assuming no exercise of the underwriters' option to purchase additional shares of common stock). As a result, these stockholders, if they act together, will be able to control the management and affairs of our company and most matters requiring stockholder approval, including the election of directors and approval of significant corporate transactions. This concentration of ownership may have the effect of delaying or preventing a change of control and might adversely affect the market price of our common stock. This concentration of ownership may not be in the best interests of our other stockholders.

We may allocate the net proceeds from this offering in ways that you and other stockholders may not approve.

Our management will have broad discretion in the application of the net proceeds from this offering, including for any of the purposes described in the section titled "Use of Proceeds." Because of the number and variability of factors that will determine our use of the net proceeds from this offering, their ultimate use may vary substantially from their currently intended use. Our management might not apply our net proceeds in ways that ultimately increase the value of your investment, and the failure by our management to apply these funds effectively could harm our business. Pending their use, we may invest the net proceeds from this offering in short- and intermediate-term, interest-bearing obligations, investment-grade instruments, certificates of deposit or direct or guaranteed obligations of the U.S. government. These investments may not yield a favorable return to our stockholders. If we do not invest or apply the net proceeds from this offering in ways that enhance stockholder value, we may fail to achieve expected results, which could cause our stock price to decline.

We will incur significant additional costs as a result of being a public company, and our management will be required to devote substantial time to compliance with our public company responsibilities and corporate governance practices.

Upon completion of this offering, we expect to incur costs associated with corporate governance requirements that will become applicable to us as a public company, including rules and regulations of the SEC, under the Sarbanes-Oxley Act, the Dodd-Frank Wall Street Reform and Consumer Protection Act of 2010, and the Exchange Act, as well as the rules of the Nasdaq Global Market. These rules and regulations are expected to significantly increase our accounting, legal and financial compliance costs and make some activities more time-consuming. We expect such expenses to further increase after we are no longer an emerging growth company. We also expect these rules and regulations to make it more expensive for us to maintain directors' and officers' liability insurance. As a result, it may be more difficult for us to attract and retain qualified persons to serve on our board of directors or as executive officers. Furthermore, these rules and regulations will increase our legal and financial compliance costs and will make some activities more time-consuming and costly. We cannot predict or estimate the amount of additional costs we will incur as a public company or the timing of such costs. Accordingly, increases in costs incurred as a result of becoming a publicly traded company may adversely affect our business, financial condition and results of operations.

We may also be subject to more stringent state law requirements. For example, on September 30, 2018, California signed into law Senator Bill 826, which generally requires public companies with principal executive offices in California to have a minimum number of females on the company's board of directors. By December 31, 2019, each public company with principal executive offices in California is required to have at least one female on its board of directors. By December 31, 2021, each public company is required to have at least two females on its board of directors if the company has at least five directors, and at least three females on its board of directors if the company has at least six directors. The new law does not provide a transition period for newly listed companies. We are currently compliant with the requirements, but there are no assurances that we will be compliant in the future. If we fail to comply with this new law, we could be fined by the California

Secretary of State, with a $100,000 fine for the first violation and a $300,000 for each subsequent violation, and our reputation may be adversely affected.

We have identified material weaknesses in our internal control over financial reporting and may experience material weaknesses in the future or otherwise fail to maintain an effective system of internal controls in the future, as a result of which, we may not be able to accurately report our financial condition or results of operations which may adversely affect investor confidence in us and, as a result, the value of our common stock.

As a result of becoming a public company, we will be required, under Section 404 of the Sarbanes-Oxley Act to furnish a report by management on, among other things, the effectiveness of our internal control over financial reporting beginning with our Annual Report on Form 10-K for the year ended December 31, 2021. This assessment will need to include disclosure of any material weaknesses identified by our management in our internal control over financial reporting. A material weakness is a deficiency or combination of deficiencies in internal control over financial reporting, such that there is a reasonable possibility that a material misstatement of a company's annual and interim financial statements will not be detected or prevented on a timely basis.

We are further enhancing internal controls, processes and related documentation necessary to perform the evaluation needed to comply with Section 404. We may not be able to complete our evaluation, testing and any required remediation in a timely fashion. During the evaluation and testing process, if we identify one or more material weaknesses in our internal control over financial reporting, we will be unable to assert that our internal controls are effective.

In connection with the preparation of our financial statements for the year ended December 31, 2019, we concluded there were material weaknesses in our internal controls over financial reporting. The material weaknesses that were identified related to the segregation of duties throughout various financial processes and our documentation of internal controls. We are taking steps to remediate the material weaknesses in our internal controls over financial reporting, including implementing our new ERP system and control procedures and identifying gaps in our skills base and expertise of the staff required to meet the financial reporting requirements of a public company. While we continue to implement our plan to remediate the material weaknesses, we may not be able to do so and our initiatives may prove not to be successful.

We cannot assure you that there will not be material weaknesses or significant deficiencies in our internal control over financial reporting in the future. Any failure to maintain internal control over financial reporting could severely inhibit our ability to accurately report our financial condition or results of operations. The effectiveness of our controls and procedures may be limited by a variety of factors, including:

- Faulty human judgment and simple errors, omissions or mistakes;
- Fraudulent action of an individual or collusion of two or more people;
- Inappropriate management override of procedures; and
- The possibility that any enhancements to controls and procedures may still not be adequate to assure timely and accurate financial control.

Our management and independent registered public accounting firm did not perform an evaluation of our internal control over financial reporting during any period in accordance with the provisions of Sarbanes-Oxley Act. Had we performed an evaluation and had our independent registered public accounting firm performed an audit of our internal control over financial reporting in accordance with the provisions of Sarbanes-Oxley Act, additional control deficiencies amounting to material weaknesses may have been identified. We are in the very early stages of the costly and challenging process of compiling the system and processing

documentation necessary to perform the evaluation needed to comply with Section 404(a) of Sarbanes-Oxley Act. We may not be able to complete our evaluation, testing or any required remediation in a timely fashion. If we fail to comply with Section 404(a) or to remedy these material weaknesses or identify new material weaknesses by the time we have to issue that report, we will not be able to certify that our internal controls over financial reporting are effective, which may cause investors to lose confidence in our financial statements, and the trading price of our common stock may decline. If we fail to remedy any material weakness, our financial statements may be inaccurate, our access to the capital markets may be restricted and the trading price of our common stock may suffer.

Our disclosure controls and procedures may not prevent or detect all errors or acts of fraud.

Upon the closing of this offering, we will become subject to the periodic reporting requirements of the Exchange Act. We designed our disclosure controls and procedures to provide reasonable assurance that information we must disclose in reports we file or submit under the Exchange Act is accumulated and communicated to management, and recorded, processed, summarized and reported within the time periods specified in the rules and forms of the SEC. We believe that any disclosure controls and procedures, no matter how well-conceived and operated, can provide only reasonable, not absolute, assurance that the objectives of the control system are met.

These inherent limitations include the realities that judgments in decision-making can be faulty, and that breakdowns can occur because of simple error or mistake. Additionally, controls can be circumvented by the individual acts of some persons, by collusion of two or more people or by an unauthorized override of the controls. Accordingly, because of the inherent limitations in our control system, misstatements due to error or fraud may occur and not be detected.

Provisions in our corporate charter documents and under Delaware law could make an acquisition of us more difficult and may prevent attempts by our stockholders to replace or remove our current management.

Provisions in our amended and restated certificate of incorporation and our amended and restated bylaws that will become effective upon the closing of this offering may discourage, delay or prevent a merger, acquisition or other change in control of us that stockholders may consider favorable, including transactions in which stockholders might otherwise receive a premium for their shares. These provisions could also limit the price that investors might be willing to pay in the future for shares of our common stock, thereby depressing the market price of our common stock. In addition, these provisions may frustrate or prevent any attempts by our stockholders to replace or remove our current management by making it more difficult for stockholders to replace members of our board of directors. Because our board of directors is responsible for appointing the members of our management team, these provisions could in turn affect any attempt by our stockholders to replace current members of our management team. Among others, these provisions include that:

- Our board of directors has the exclusive right to expand the size of our board of directors and to elect directors to fill a vacancy created by the expansion of the board of directors or the resignation, death or removal of a director, which prevents stockholders from being able to fill vacancies on our board of directors;

- Our board of directors is divided into three classes, Class I, Class II and Class III, with each class serving staggered three-year terms, which may delay the ability of stockholders to change the membership of a majority of our board of directors;

- Our stockholders may not act by written consent, which forces stockholder action to be taken at an annual or special meeting of our stockholders;

- A special meeting of stockholders may be called only by the chair of the board of directors, the chief executive officer, the president or the board of directors, which may delay the ability of our

stockholders to force consideration of a proposal or to take action, including the removal of directors;

- Our amended and restated certificate of incorporation prohibits cumulative voting in the election of directors, which limits the ability of minority stockholders to elect director candidates;
- Our board of directors may alter our bylaws without obtaining stockholder approval;
- The required approval of the holders of at least two-thirds of the shares entitled to vote at an election of directors to adopt, amend or repeal our bylaws or repeal the provisions of our amended and restated certificate of incorporation regarding the election and removal of directors;
- Stockholders must provide advance notice and additional disclosures in order to nominate individuals for election to the board of directors or to propose matters that can be acted upon at a stockholders' meeting, which may discourage or deter a potential acquiror from conducting a solicitation of proxies to elect the acquiror's own slate of directors or otherwise attempting to obtain control of our company; and
- Our board of directors is authorized to issue shares of preferred stock and to determine the terms of those shares, including preferences and voting rights, without stockholder approval, which could be used to significantly dilute the ownership of a hostile acquirer.

Moreover, because we are incorporated in Delaware, we are governed by the provisions of Section 203 of the Delaware General Corporation Law, which prohibits a person who owns in excess of 15% of our outstanding voting stock from merging or combining with us for a period of three years after the date of the transaction in which the person acquired in excess of 15% of our outstanding voting stock, unless the merger or combination is approved in a prescribed manner.

Our amended and restated certificate of incorporation will provide that the Court of Chancery of the State of Delaware will be the sole and exclusive forum for substantially all disputes between us and our stockholders, which could limit our stockholders' abilities to obtain a favorable judicial forum for disputes with us or our directors, officers or employees.

Our amended and restated certificate of incorporation that will become effective upon the closing of this offering will specify that, unless we consent in writing to the selection of an alternative forum, to the fullest extent permitted by law, the Court of Chancery of the State of Delaware will be the sole and exclusive forum for most legal actions involving actions brought against us by stockholders; provided that, the exclusive forum provision will not apply to suits brought to enforce any liability or duty created by the Exchange Act or any other claim for which the federal courts have exclusive jurisdiction; and provided further that, if and only if the Court of Chancery of the State of Delaware dismisses any such action for lack of subject matter jurisdiction, such action may be brought in another state or federal court sitting in the State of Delaware. Our amended and restated certificate of incorporation will also provide that the federal district courts of the United States of America will be the exclusive forum for the resolution of any complaint asserting a cause of action against us or any of our directors, officers, employees or agents and arising under the Securities Act, subject to and contingent upon a final adjudication in the State of Delaware of the enforceability of such exclusive forum provision. Under the Securities Act, federal and state courts have concurrent jurisdiction over all suits brought to enforce any duty or liability created by the Securities Act, and investors cannot waive compliance with the federal securities laws and the rules and regulations thereunder. Accordingly, there is uncertainty as to whether a court would enforce such a forum selection provision as written in connection with claims arising under the Securities Act. We believe these provisions may benefit us by providing increased consistency in the application of Delaware law and federal securities laws by chancellors and judges, as applicable, particularly experienced in resolving corporate disputes, efficient administration of cases on a more expedited schedule relative to other forums and protection against the

burdens of multi-forum litigation. However, these provisions may have the effect of discouraging lawsuits against our directors and officers. The enforceability of similar choice of forum provisions in other companies' certificates of incorporation has been challenged in legal proceedings, and it is possible that, in connection with any applicable action brought against us, a court could find the choice of forum provisions contained in our restated certificate of incorporation to be inapplicable or unenforceable in such action.

Because we do not anticipate paying any cash dividends on our capital stock in the foreseeable future, capital appreciation, if any, will be your sole source of gain.

We have never declared or paid cash dividends on our capital stock. We currently intend to retain all of our future earnings, if any, to finance the growth and development of our business. Any determination to pay dividends in the future will be at the discretion of our board of directors and may be restricted by any future debt or preferred securities or future debt agreements we may enter into. As a result, capital appreciation, if any, of our common stock will be your sole source of gain for the foreseeable future.

SPECIAL NOTE REGARDING FORWARD-LOOKING STATEMENTS

This prospectus contains forward-looking statements. All statements contained in this prospectus other than statements of historical facts, including statements regarding our business strategy, plans, market growth and our objectives for future operations, are forward-looking statements. The words “may,” “will,” “should,” “expect,” “plan,” “anticipate,” “could,” “intend,” “target,” “project,” “contemplate,” “believe,” “estimate,” “predict,” “potential” or “continue” or the negative of these terms and other similar expressions are intended to identify forward-looking statements, although not all forward-looking statements contain these words.

Forward-looking statements contained in this prospectus include, but are not limited to, statements about:

- estimates of our total addressable market, future results of operations, financial position, research and development costs, capital requirements and our needs for additional financing;
- our business model and strategic plans for our products, technologies and business, including our implementation thereof;
- competitive companies and technologies and our industry;
- our ability to commercialize, manage and grow our business by expanding our sales and marketing organization and increasing our sales to existing and new customers;
- third-party payor reimbursement and coverage decisions;
- commercial success and market acceptance of our products;
- our ability to accurately forecast customer demand for our products and manage our inventory;
- our ability to establish and maintain intellectual property protection for our products or avoid claims of infringement;
- FDA or other U.S. or foreign regulatory actions affecting us or the healthcare industry generally, including healthcare reform measures in the United States;
- the timing or likelihood of regulatory filings and approvals;
- our ability to hire and retain key personnel;
- our ability to obtain additional financing in this or future offerings;
- the volatility of the trading price of our common stock;
- our expectations regarding the use of proceeds from this offering; and
- our expectations about market trends.

We caution you that the foregoing list may not contain all of the forward-looking statements made in this prospectus.

The forward-looking statements in this prospectus are only predictions and are based largely on our current expectations and projections about future events and trends that we believe may affect our financial

condition, results of operations, business strategy, short-term and long-term business operations and objectives, and financial needs. These forward-looking statements speak only as of the date of this prospectus and are subject to a number of known and unknown risks, uncertainties, and assumptions, including those described in the section titled “Risk Factors.” Moreover, we operate in a very competitive and rapidly changing environment. New risks emerge from time to time. It is not possible for our management to predict all risks, nor can we assess the impact of all factors on our business or the extent to which any factor, or combination of factors, may cause actual results to differ materially from those contained in any forward-looking statements we may make. In light of these risks, uncertainties, and assumptions, the future events and trends discussed in this prospectus may not occur and actual results could differ materially and adversely from those anticipated or implied in the forward-looking statements.

Because forward-looking statements are inherently subject to risks and uncertainties, some of which cannot be predicted or quantified, you should not rely upon these forward-looking statements as predictions of future events. The events and circumstances reflected in the forward-looking statements may not be achieved or occur. Although we believe that the expectations reflected in the forward-looking statements are reasonable, we cannot guarantee future results, performance, or achievements. We undertake no obligation to update any of these forward-looking statements for any reason after the date of this prospectus or to conform these statements to actual results or revised expectations, except as required by law. The forward-looking statements contained in the prospectus are excluded from the safe harbor protection provided by the Private Securities Litigation Reform Act of 1995 and Section 27A of the Securities Act.

You should read this prospectus and the documents that we reference in this prospectus and have filed with the SEC as exhibits to the registration statement of which this prospectus is a part with the understanding that our actual future results, performance, and events and circumstances may be materially different from what we expect.

INDUSTRY, MARKET AND OTHER DATA

This prospectus contains estimates and information concerning our industry, including market size and growth rates of the markets in which we participate, that are based on our management's estimates and research, as well as industry and general publications and research, surveys and studies conducted by third parties which we have not independently verified. Neither we nor the underwriters have independently verified the accuracy or completeness of any third-party information. Management's estimates are derived from publicly available information, their knowledge of our industry and their assumptions based on such information and knowledge, which we believe to be reasonable. This data involves a number of assumptions and limitations which are necessarily subject to a high degree of uncertainty and risk due to a variety of factors, including those described in "Risk Factors." These and other factors could cause our future performance to differ materially from our assumptions and estimates.

The content of these third-party sources, except to the extent specifically set forth in this prospectus, does not constitute a portion of this prospectus and is not incorporated herein.

Certain monetary amounts, percentages, and other figures included elsewhere in this prospectus have been subject to rounding adjustments. Accordingly, figures shown as totals in certain tables or charts may not be the arithmetic aggregation of the figures that precede them, and figures expressed as percentages in the text may not total 100% or, as applicable, when aggregated may not be the arithmetic aggregation of the percentages that precede them.

USE OF PROCEEDS

We estimate that the net proceeds to us from this offering will be approximately $ million (or approximately $ million if the underwriters exercise their option to purchase additional shares in full), assuming an initial public offering price of $ per share, which is the midpoint of the price range set forth on the cover page of this prospectus, and after deducting the underwriting discounts and commissions and estimated offering expenses payable by us.

A $1.00 increase (decrease) in the assumed initial public offering price of $ per share, which is the midpoint of the price range set forth on the cover page of this prospectus, would increase (decrease) the net proceeds to us from this offering by approximately $ million, assuming the number of shares offered by us, as set forth on the cover page of this prospectus, remains the same and after deducting the underwriting discounts and commissions and estimated offering expenses payable by us. An increase (decrease) of 1.0 million shares in the number of shares of common stock offered would increase (decrease) the net proceeds to us from this offering by approximately $ million, assuming the assumed initial public offering price stays the same, and after deducting the underwriting discounts and commissions and estimated offering expenses payable by us.

The principal purpose of this offering is to provide us with additional capital to support our operations. We intend to use the net proceeds from this offering as follows:

- approximately $ million to expand our commercial activities, including marketing personnel and programs;
- approximately $ million to fund product development, research activities, and clinical development activities; and
- the remainder for working capital and general corporate purposes.

We may also use a portion of the net proceeds from this offering to acquire, in-license or invest in products, technologies or businesses that complement our business. However, we do not have binding agreements or commitments for any acquisitions or investments outside the ordinary course of business at this time.

As of the date of this prospectus, we cannot specify with certainty the specific allocations or all of the particular uses for the net proceeds to be received upon completion of this offering. The expected use of net proceeds from this offering represents our intentions based upon our present plans and business conditions, which could change in the future as or plans and business conditions evolve. We may find it necessary or advisable to use the net proceeds for other purposes, and we will have broad discretion in the application and specific allocations of the net proceeds of this offering. Pending the uses described above, we intend to invest the net proceeds from this offering in short- and intermediate-term, interest-bearing obligations, investment-grade instruments or other securities.

DIVIDEND POLICY

We have never declared or paid any cash dividends on our capital stock. We intend to retain future earnings, if any, to finance the operation and expansion of our business and do not anticipate paying any cash dividends in the foreseeable future. Any future determination related to our dividend policy will be made at the discretion of our board of directors after considering our financial condition, results of operations, capital requirements, business prospects and other factors our board of directors deems relevant, and subject to the restrictions contained in any future financing instruments. In addition, our ability to pay cash dividends is currently restricted by the terms of our credit facility with Signature Bank. Our ability to pay cash dividends on our capital stock in the future may also be limited by the terms of any preferred securities we may issue or agreements governing any additional indebtedness we may incur.

CAPITALIZATION

The following table sets forth our cash and cash equivalents and capitalization as of December 31, 2019 on:

- an actual basis;
- a pro forma basis to give effect to (1) the automatic conversion of 45,651,216 shares of our convertible preferred stock into shares of our common stock, (2) the conversion of all warrants to purchase shares of our convertible preferred stock into warrants to purchase 366,410 shares of our common stock and the reclassification of our convertible preferred stock warrant liability to stockholders' equity, and (3) the filing of our amended and restated certificate of incorporation, in each case, immediately prior to the closing of this offering; and
- a pro forma as adjusted basis to give effect to the pro forma adjustments described above as well as the sale and issuance by us of shares of our common stock in this offering at the assumed initial public offering price of $ per share, which is the midpoint of the price range set forth on the cover page of this prospectus, after deducting the underwriting discounts and commissions and estimated offering expenses payable by us.

The pro forma and pro forma as adjusted information below is illustrative only and our capitalization following the closing of this offering will be adjusted based on the actual initial public offering price and other terms of this offering determined at the pricing of this offering. You should read this information in conjunction with the sections titled "Use of Proceeds," "Selected Financial Data" and "Management's Discussion and Analysis of Financial Condition and Results of Operations" and our financial statements and the accompanying notes thereto included elsewhere in this prospectus.

	As of December 31, 2019		
	Actual	Pro Forma	Pro Forma As Adjusted
	(unaudited) (in thousands, except share and per share data)		
Cash and cash equivalents	$ 23,639	$	$
Long-term debt	19,481		
Warrant liabilities	1,169	—	—
Redeemable convertible preferred stock, par value $0.001 per share: 46,017,626 shares authorized, 45,651,216 shares issued and outstanding, actual; and zero shares authorized, shares issued and outstanding, pro forma and pro forma as adjusted	54,170	—	—
Stockholders' deficit:			
Preferred stock, par value $0.001 per share; no shares authorized, issued and outstanding, actual; no shares authorized, issued and outstanding, pro forma and pro forma as adjusted	—	—	—
Common stock, par value $0.001 per share; 70,000,000 shares authorized, 9,597,311 shares issued and outstanding, actual; and shares authorized, shares issued and outstanding, pro forma; and shares authorized, shares issued and outstanding, pro forma as adjusted	10		
Additional paid-in capital	2,058		
Accumulated deficit	(41,212)		
Total stockholders' deficit (equity)	(39,144)		
Total capitalization	$ 15,026	$	$

A $1.00 increase (decrease) in the assumed initial public offering price of $ per share, which is the midpoint of the price range set forth on the cover page of this prospectus, would increase (decrease) the pro forma as adjusted amount of each of cash and cash equivalents, additional paid-in capital, total stockholders' equity (deficit) and total capitalization by approximately $ million, assuming that the number of shares offered by us, as set forth on the cover page of this prospectus, remains the same and after deducting underwriting discounts and commissions and estimated offering expenses payable by us. Similarly, an increase (decrease) of 1.0 million shares in the number of shares offered by us at the assumed initial public offering price of $ per share, which is the midpoint of the price range set forth on the cover page of this prospectus, would increase (decrease) the pro forma as adjusted amount of each of cash and cash equivalents, additional paid-in capital, total stockholders' equity (deficit) and total capitalization by approximately $ million, assuming the shares of our common stock offered by this prospectus are sold at the assumed initial public offering price of $ per share, which is the midpoint of the price range set forth on the cover page of this prospectus, and after deducting the underwriting discounts and commissions and estimated offering expenses payable by us.

The number of shares of our common stock to be outstanding after this offering is based on 55,248,527 shares of our common stock outstanding as of December 31, 2019, which includes 45,651,216 shares of common stock issuable upon the conversion of all of our outstanding shares of convertible preferred stock and excludes:

- 39,713 shares of our common stock issuable upon the exercise of a warrant to purchase common stock outstanding as of December 31, 2019, with an exercise price of $0.10 per share;
- 110,000 shares of our common stock issuable upon the exercise of a warrant to purchase Series A convertible preferred stock outstanding as of December 31, 2019, with an exercise price of $1.00 per share, which will convert into a warrant to purchase common stock immediately prior to the closing of this offering;
- 256,410 shares of our common stock issuable upon the exercise of a warrant to purchase Series B convertible preferred stock outstanding as of December 31, 2019, with an exercise price of $1.17 per share, which will convert into a warrant to purchase common stock immediately prior to the closing of this offering;
- 5,829,739 shares of our common stock issuable upon the exercise of outstanding options under our 2011 Equity Incentive Plan as of December 31, 2019, at a weighted-average exercise price of $0.63 per share;
- 4,094,552 shares of our common stock issuable upon the vesting and settlement of outstanding restricted stock units, or RSUs, under our 2011 Equity Incentive Plan as of December 31, 2019; and
- shares of our common stock reserved for future issuance under our equity compensation plans, consisting of (1) 716,950 shares of our common stock reserved for future issuance under our 2011 Equity Incentive Plan as of December 31, 2019, (2) shares of our common stock reserved for future issuance under our 2020 Incentive Award Plan, which will become effective upon the effectiveness of the registration statement of which this prospectus forms a part, and (3) shares of our common stock reserved for future issuance under our 2020 ESPP, which will become effective upon the effectiveness of the registration statement of which this prospectus forms a part.

DILUTION

If you invest in our common stock in this offering, your interest will be diluted to the extent of the difference between the amount per share paid by purchasers of shares of our common stock in this initial public offering and the pro forma as adjusted net tangible book value per share of our common stock immediately after this offering.

As of December 31, 2019, our historical net tangible book value (deficit) was $(39.1) million, or $ per share of our common stock. Historical net tangible book value (deficit) per share represents our total tangible assets less total liabilities, less convertible preferred stock, divided by the number of shares of our common stock outstanding as of December 31, 2019.

As of December 31, 2019, our pro forma net tangible book value (deficit) was $ million, or $ per share of our common stock. Pro forma net tangible book value per share represents the amount of our total tangible assets reduced by the amount of our total liabilities and divided by the total number of shares of our common stock outstanding as of December 31, 2019 after giving effect to (1) the automatic conversion of 45,651,216 shares of our convertible preferred stock into shares of our common stock, (2) the conversion of all warrants to purchase shares of our convertible preferred stock into warrants to purchase 366,410 shares of our common stock and the reclassification of our convertible preferred stock warrant liability to stockholders' equity and (3) the filing of our amended and restated certificate of incorporation, in each case, immediately prior to the closing of this offering.

After giving further effect to our sale of shares of our common stock in this offering at the assumed initial public offering price of $ per share, which is the midpoint of the price range set forth on the cover page of this prospectus, and after deducting the underwriting discounts and commissions and estimated offering expenses payable by us, our pro forma as adjusted net tangible book value as of December 31, 2019 would have been approximately $ million, or $ per share of our common stock. This represents an immediate increase in pro forma net tangible book value of $ per share to our existing stockholders and an immediate dilution in pro forma net tangible book value of approximately $ per share to new investors purchasing shares of our common stock in this offering at the assumed initial public offering price. We determine dilution by subtracting our pro forma as adjusted net tangible book value per share after this offering from the amount of cash that a new investor paid for a share of common stock in this offering.

The following table illustrates this dilution on a per share basis to new investors:

Assumed initial public offering price per share		$
Historical net tangible book value per share as of December 31, 2019	$	
Pro forma increase in net tangible book value per share		
Pro forma net tangible book value per share as of December 31, 2019		
Increase in pro forma net tangible book value per share attributable to new investors in this offering	$	
Pro forma as adjusted net tangible book value per share after this offering		$
Dilution per share to new investors in this offering		$

A $1.00 increase (decrease) in the assumed initial public offering price of $ per share, which is the midpoint of the price range set forth on the cover page of this prospectus, would increase (decrease) the pro forma as adjusted net tangible book value per share after this offering by $ per share and would increase (decrease) the dilution per share to new investors in this offering by $ per share, assuming that the number of shares offered by us, as set forth on the cover page of this prospectus, remains the same and after deducting the underwriting discounts and commissions and estimated offering expenses payable by us. An increase

(decrease) of 1.0 million shares in the number of shares offered by us would increase (decrease) our pro forma as adjusted net tangible book value per share after this offering by $ per share and would increase (decrease) the dilution per share to new investors in this offering by $ per share, assuming the assumed initial public offering price remains the same, and after deducting the underwriting discounts and commissions and the estimated offering expenses payable by us.

If the underwriters' option to purchase additional shares of our common stock is exercised in full, our pro forma as adjusted net tangible book value per share after this offering would be $, the increase in pro forma net tangible book value per share attributable to new investors would be $ and the dilution per share to new investors would be $, in each case assuming an initial public offering price of $ per share, which is the midpoint of the price range set forth on the cover page of this prospectus.

The following table summarizes, on the pro forma as adjusted basis described above, as of December 31, 2019, the difference between existing stockholders and new investors purchasing shares of common stock in this offering with respect to the number of shares purchased from us, the total consideration paid to us and the average price per share paid by our existing stockholders or to be paid by new investors purchasing shares in this offering at an assumed initial public offering price of $ per share, which is the midpoint of the price range set forth on the cover page of this prospectus, before deducting the underwriting discounts and commissions and estimated offering expenses payable by us.

	Shares Purchased		Total Consideration		Average Price Per Share
	Number	Percent	Amount	Percent	
Existing stockholders		%	$	%	$
New investors					
Total		100%		100%	

A $1.00 increase (decrease) in the assumed initial public offering price of $ per share, which is the midpoint of the price range set forth on the cover page of this prospectus, would increase (decrease) the total consideration paid by new investors and total consideration paid by all stockholders by $ million, assuming that the number of shares offered by us, as set forth on the cover page of this prospectus, remains the same and after deducting the underwriting discounts and commissions and estimated offering expenses payable by us.

If the underwriters' option to purchase additional shares of our common stock is exercised in full, our existing stockholders would own % and our new investors would own % of the total number of shares of common stock outstanding upon the completion of this offering.

The dilution information discussed above is illustrative only and may change based on the actual initial public offering price and other terms of this offering. To the extent any outstanding warrants are exercised, or new options are issued or we issue additional shares of common stock or other equity or convertible debt securities in the future, there will be further dilution to investors participating in this offering.

The number of shares of our common stock to be outstanding after this offering is based on 55,248,527 shares of our common stock outstanding as of December 31, 2019, which includes 45,651,216 shares of common stock issuable upon the conversion of all of our outstanding shares of convertible preferred stock and excludes:

- 39,713 shares of our common stock issuable upon the exercise of a warrant to purchase common stock outstanding as of December 31, 2019, with an exercise price of $0.10 per share;
- 110,000 shares of our common stock issuable upon the exercise of a warrant to purchase Series A convertible preferred stock outstanding as of December 31, 2019, with an exercise price of $1.00

per share, which will convert into a warrant to purchase common stock immediately prior to the closing of this offering;

- 256,410 shares of our common stock issuable upon the exercise of a warrant to purchase Series B convertible preferred stock outstanding as of December 31, 2019, with an exercise price of $1.17 per share, which will convert into a warrant to purchase common stock immediately prior to the closing of this offering;

- 5,829,739 shares of our common stock issuable upon the exercise of outstanding options under our 2011 Equity Incentive Plan as of December 31, 2019, at a weighted-average exercise price of $0.63 per share;

- 4,094,552 shares of our common stock issuable upon the vesting and settlement of outstanding restricted stock units, or RSUs, under our 2011 Equity Incentive Plan as of December 31, 2019; and

- shares of our common stock reserved for future issuance under our equity compensation plans, consisting of (1) 716,950 shares of our common stock reserved for future issuance under our 2011 Equity Incentive Plan as of December 31, 2019, (2) shares of our common stock reserved for future issuance under our 2020 Incentive Award Plan, which will become effective upon the effectiveness of the registration statement of which this prospectus forms a part, and (3) shares of our common stock reserved for future issuance under our 2020 ESPP, which will become effective upon the effectiveness of the registration statement of which this prospectus forms a part.

SELECTED FINANCIAL DATA

The following tables present our selected financial data for the periods and as of the dates indicated. We derived our selected statement of operations data for the years ended December 31, 2018 and 2019 and the balance sheet data as of December 31, 2018 and 2019 from our audited financial statements that are included elsewhere in this prospectus. Our historical results are not necessarily indicative of the results to be expected in the future. You should read the following information in conjunction with the section titled "Management's Discussion and Analysis of Financial Condition and Results of Operations" and our financial statements and the accompanying notes thereto included elsewhere in this prospectus.

	Year ended December 31,	
	2018	2019
	(in thousands, except share and per share data)	
Statement of Operations Data:		
Revenues	$ 6,829	$ 51,129
Cost of goods sold	1,281	5,911
Gross profit	5,548	45,218
Operating expenses:		
Research and development	3,990	7,220
Selling, general and administrative	10,698	37,197
Total operating expenses	14,688	44,417
Income (loss) from operations	(9,139)	801
Other income (expense):		
Interest income	92	89
Interest expense	(887)	(920)
Change in fair value of warrant liabilities	(85)	(957)
Other expenses	(133)	(205)
Total other expenses, net	(1,013)	(1,993)
Net loss and comprehensive loss	$ (10,153)	$ (1,192)
Net loss per share, basic and diluted (1)	$ (1.41)	$ (0.14)
Weighted average shares of common stock used to compute net loss per share, basic and diluted (1)	7,221,036	8,407,425
Pro forma net loss per share, basic and diluted (unaudited) (1)		
Weighted average shares of common stock used to compute pro forma net loss per share, basic and diluted (unaudited) (1)		

(1) See Note 2 to our audited financial statements included elsewhere in this prospectus for an explanation of the method used to calculate our historical and pro forma basic and diluted net loss per share.

	As of December 31, 2018	2019
	(in thousands)	
Balance Sheet Data:		
Cash and cash equivalents	$ 21,834	$ 23,639
Working capital (1)	23,837	30,538
Total assets	26,901	44,547
Total liabilities	12,177	29,520
Warrant liabilities	213	1,169
Redeemable convertible preferred stock	54,170	54,170
Total stockholders' equity (deficit)	(39,446)	(39,144)

(1) We define working capital as current assets less current liabilities. See our financial statements and the accompanying notes thereto included elsewhere in this prospectus for further details regarding our current assets and current liabilities.

MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS

You should read the following discussion and analysis of our financial condition and results of operations in conjunction the section titled "Selected Financial Data" and our financial statements and the accompanying notes thereto included elsewhere in this prospectus. Some of the information contained in this discussion and analysis or set forth elsewhere in this prospectus, including information with respect to our plans and strategy for our business, includes forward-looking statements that involve risks and uncertainties. You should read the sections titled "Risk Factors" and "Special Note Regarding Forward-Looking Statements" for a discussion of important factors that could cause actual results to differ materially from the results described in or implied by the forward-looking statements contained in the following discussion and analysis.

Overview

We are a commercial-stage medical device company focused on developing products to treat and transform the lives of patients suffering from venous diseases. Our initial product offering consists of two minimally-invasive, novel catheter-based mechanical thrombectomy devices. We purpose-built our products for the specific characteristics of the venous system and the treatment of the two distinct manifestations of venous thromboembolism, or VTE – deep vein thrombosis and pulmonary embolism. Our ClotTriever product is FDA-cleared for the removal of clot from peripheral blood vessels and is used to treat patients suffering from deep vein thrombosis, or DVT. Our FlowTriever product is the first thrombectomy system FDA-cleared for the treatment of pulmonary embolism, or PE. These products have been used to treat more than 6,700 patients at approximately 500 hospitals across the United States, with approximately 90% of cases being performed since we launched our broader commercial efforts in the third quarter of 2018. We have experienced significant growth since we began commercializing our products and have had strong momentum in our business in 2019, with 4,562 procedures performed using our products in 2019.

We believe the best way to treat VTE and improve the quality of life of patients suffering from this disease is to safely and effectively remove the blood clot. With that in mind, we designed and purpose-built our ClotTriever and FlowTriever products to remove large clots from large vessels and eliminate the need for thrombolytic drugs. We believe our products are transformational and could be the catalyst to drive an evolution of treatment for venous diseases, establishing our products as the standard of care for DVT and PE.

We believe our venous-focused commercial organization provides a significant competitive advantage. Our most important relationships are between our sales representatives and our target physicians, which include interventional cardiologists, interventional radiologists and vascular surgeons. We have developed systems and processes to harness the information gained from these relationships and we leverage this information to rapidly iterate products, introduce and execute physician education and training programs and scale our sales organization. We market and sell our products to hospitals, which are reimbursed by various third-party payors. We have dedicated meaningful resources to building a direct sales force in the United States, which consisted of 63 sales representatives as of December 31, 2019, and we are actively expanding our sales organization through additional sales representatives and territories.

To date, our primary sources of capital have been private placements of preferred stock, debt financing arrangements and revenue from sales of our products. Since inception, we have raised a total of $54.2 million in net proceeds from private placements of preferred stock. As of December 31, 2019, we had cash and cash equivalents of $23.6 million, long-term debt of $20.2 million and an accumulated deficit of $41.2 million. We generated revenue of $51.1 million, with a gross margin of 88.4% and net losses of $1.2 million for the year ended December 31, 2019, compared to revenue of $6.8 million, with a gross margin of 81.2% and net losses of $10.2 million for the year ended December 31, 2018.

Procedure Volume

We regularly review a number of operating and financial metrics to evaluate our business, measure our performance, identify trends affecting our business, formulate our business plan and make strategic decisions. We believe the number of procedures performed to treat DVT and PE using our products is an indicator of our ability to drive adoption and generate revenue. We believe this is an important metric for our business; however, we anticipate that additional metrics may become important as our business grows. The following table lists the number of procedures performed in each of the three month periods as indicated:

	Three Months Ended					
Procedures(1)	March 31, 2019	June 30, 2019	Sept. 30, 2019	Dec. 31, 2019	Total	% of Total
DVT	342	498	676	959	2,475	54%
PE	281	396	576	834	2,087	46%
Total	623	894	1,252	1,793	4,562	

(1) We define a procedure as any instance in which a physician treats DVT or PE using our products and for which we have a record that the procedure was performed.

Components of our Results of Operations

Revenue

We currently derive all our revenue from the sale of our ClotTriever and FlowTriever products to hospitals in the United States. Our customers typically purchase an initial stocking order of our products and then reorder replenishment product as procedures are performed. No single customer accounted for 10% or more of our revenue during the years ended December 31, 2018 or 2019. We expect revenue to increase in absolute dollars as we expand our sales organization and sales territories, add customers, expand the base of physicians that are trained to use our products, expand awareness of our products with new and existing customers and as physicians perform more procedures using our products. For the years ended December 31, 2018 and 2019, 41% and 38% of revenue was derived from the sale of ClotTriever products, respectively, and 59% and 62% of revenue was derived from the sale of FlowTriever products, respectively.

Cost of Goods Sold and Gross Margin

We manufacture and/or assemble all of our products at our facility in Irvine, California. Cost of goods sold consists primarily of the cost of raw materials, components, direct labor and manufacturing overhead. Overhead costs include the cost of quality assurance, material procurement, inventory control, facilities, equipment and operations supervision and management, including stock-based compensation. Cost of goods sold also includes depreciation expense for production equipment and certain direct costs such as shipping costs and royalty expense. Shipping costs billed to customers are reported as a reduction of cost of goods sold. We expect cost of goods sold to increase in absolute dollars as our revenue grows and more of our products are sold.

We calculate gross margin as gross profit divided by revenue. Our gross margin has been and will continue to be affected by a variety of factors, including average selling prices, product sales mix, production and ordering volumes, manufacturing costs, product yields, headcount and cost-reduction strategies. Our gross margin could fluctuate from quarter to quarter as we introduce new products, and as we adopt new manufacturing processes and technologies.

Treatments using the FlowTriever may involve one or more Triever aspiration catheters and one or more FlowTriever catheters. We charge customers the same price for each FlowTriever procedure, regardless of the number of components used. As a result, changes in the number of components used, the cost of these components and the introduction of additional components can impact our gross margin.

Research and Development Expenses

Research and development, or R&D, expenses consist primarily of engineering, product development, clinical studies to develop and support our products, regulatory expenses, medical affairs and other costs associated with products that are in development. These expenses include employee compensation, including stock-based compensation, supplies, consulting, prototyping, testing, materials, travel expenses, depreciation and an allocation of facility overhead expenses. Additionally, R&D expenses include costs associated with our clinical trials and registries, including clinical study design, clinical study site initiation and study costs, data management, and internal and external costs associated with our regulatory compliance, including the costs of outside consultants and contractors that assist in the process of submitting and maintaining regulatory filings. We expense R&D costs as incurred. We expect R&D expenses as a percentage of revenue to vary over time depending on the level and timing of our new product development efforts, as well as our clinical development, clinical trials and registries and other related activities.

Selling, General and Administrative Expenses

Selling, general and administrative, or SG&A, expenses consist primarily of compensation for personnel, including stock-based compensation, related to selling and marketing functions, physician education programs, commercial operations and analytics, finance, information technology and human resource functions. Other SG&A expenses include sales commissions, travel expenses, promotional activities, marketing initiatives, market research and analysis, conferences and trade shows, physician training, professional services fees (including legal, audit and tax fees), insurance costs, general corporate expenses and facilities-related expenses. We expect SG&A expenses to continue to increase in absolute dollars as we expand our sales and marketing organization and infrastructure to both drive and support the anticipated growth in revenue and due to additional legal, accounting, insurance and other expenses associated with being a public company.

Interest Income

Interest income consists primarily of interest income earned on our cash and cash equivalents.

Interest Expense

Interest expense consists primarily of interest incurred on our outstanding indebtedness and non-cash interest related to the amortization of debt discount and issuance costs associated with our indebtedness.

Change in Fair Value of Warrant Liabilities

Change in fair value of warrant liabilities consists of gains and losses resulting from the remeasurement of the fair value of our preferred stock warrant liabilities at each balance sheet date. We will continue to record adjustments to the estimated fair value of the preferred stock warrants until they are exercised or at such time as the warrants are treated as equity for accounting.

Other Expenses

Other expenses consist primarily of costs related to the refinancing of our debt facility.

Results of Operations

The following table sets forth the components of our statements of operations in dollars and as percentage of revenue for the periods presented:

(in thousands except percentages)	Year Ended December 31, 2018		2019		Change
Revenues	$ 6,829	100.0%	$51,129	100.0%	$44,300
Cost of goods sold	1,281	18.8%	5,911	11.6%	4,630
Gross profit	5,548	81.2%	45,218	88.4%	39,670
Operating expenses:					
Research and development	3,990	58.4%	7,220	14.1%	3,230
Selling, general and administrative	10,698	156.7%	37,197	72.8%	26,499
Total operating expenses	14,688	215.1%	44,417	86.9%	29,729
Income (loss) from operations	(9,140)	(133.9%)	801	1.5%	9,941
Other income (expense):					
Interest income	92	1.3%	89	0.2%	(3)
Interest expense	(887)	(13.0%)	(920)	(1.8%)	(33)
Change in fair value of warrant liabilities	(85)	(1.3%)	(957)	(1.9%)	(872)
Other expenses	(133)	(1.9%)	(205)	(0.4%)	(72)
Total other expenses, net	(1,013)	(14.8%)	(1,993)	(39.0%)	(980)
Net loss and comprehensive loss	$(10,153)	(148.7%)	$ (1,192)	(2.4%)	$ 8,961

Comparison of Years Ended December 31, 2018 and 2019

Revenue. Revenue increased $44.3 million, or 648.7%, to $51.1 million during the year ended December 31, 2019, compared to $6.8 million during the year ended December 31, 2018. The increase in revenue was due to an increase in the number of products sold and an increase in the average selling prices of our products.

Cost of Goods Sold and Gross Margin. Cost of goods sold increased $4.6 million, or 361.4%, to $5.9 million during the year ended December 31, 2019, compared to $1.3 million during the year ended December 31, 2018. This increase was due to the increase in the number of products sold and additional manufacturing overhead costs as we relocated to our new facility in Irvine, California and invested significantly in our operational infrastructure to support anticipated future growth. Gross margin for the year ended December 31, 2019 increased to 88.4%, compared to 81.2% in the year ended December 31, 2018 due to an increase in the average selling prices of our products and improved operating leverage.

Research and Development Expenses. R&D expenses increased $3.2 million, or 80.9%, to $7.2 million during the year ended December 31, 2019, compared to $4.0 million during the year ended December 31, 2018. The increase in R&D expenses was primarily due to an increase of $1.3 million of personnel-related expenses, $1.1 million of clinical study and registry expenses and $0.5 million in materials and supplies.

Selling, General and Administrative Expenses. SG&A expenses increased $26.5 million, or 247.7%, to $37.2 million during the year ended December 31, 2019, compared to $10.7 million during the year ended December 31, 2018. The increase in SG&A costs was primarily due to an increase of $20.1 million in personnel-related expenses as a result of increased headcount of our sales organization, increased commissions due to higher revenue and an increase in the number of products sold, an increase of $2.1 million in professional fees, an increase of $1.6 million in travel costs and an increase of $1.2 million in marketing and event costs.

Interest Income. Interest income decreased by 3.3% during the year ended December 31, 2019, compared to the year ended December 31, 2018. The decrease in interest income was primarily due to a decrease in average cash and cash equivalents during the year ended December 31, 2019, compared to the year ended December 31, 2018.

Interest Expense. Interest expense increased by 3.7% during the year ended December 31, 2019, compared to the year ended December 31, 2018. This increase was primarily due to $10.0 million of additional borrowings drawn under the credit facility with Signature Bank in December 2019. As of December 31, 2018, the aggregate outstanding principal balance under the amended and restated loan and security agreement with East West Bank was $10.0 million. As of December 31, 2019, the aggregate outstanding principal balance under the credit facility with Signature Bank was $20.0 million.

Change in Fair Value of Warrant Liabilities. Change in fair value of warrant liabilities increased $0.9 million to $1.0 million for the year ended December 31, 2019, compared to $0.1 million for the year ended December 31, 2018. This increase was due to the fair value remeasurement of our convertible preferred stock warrant liabilities.

Other Expenses. Other expenses increased to $0.2 million for the year ended December 31, 2019, compared to $0.1 million for the year ended December 31, 2018. This increase was primarily due to a loss on extinguishment of debt related to the refinancing of our debt facility.

Selected Unaudited Quarterly Financial Information

The following table represents certain unaudited quarterly information for the four quarters ended December 31, 2019. The unaudited quarterly information set forth below has been prepared on a basis consistent with our audited annual financial statements included elsewhere in this prospectus and includes, in our opinion, all normal recurring adjustments necessary for the fair presentation of the results of operations for the periods presented. Our historical quarterly results are not necessarily indicative of the results that may be expected in the future. The following unaudited quarterly financial information should be read in conjunction with our audited financial statements and related notes thereto included elsewhere in this prospectus.

	For the Three Months Ended			
(in thousands)	March 31, 2019	June 30, 2019	September 30, 2019	December 31, 2019
Revenues	$ 6,945	$10,072	$ 14,225	$ 19,887
Cost of goods sold	931	1,331	1,510	2,139
Gross profit	6,014	8,741	12,715	17,748
Operating expenses:				
Research and development	1,209	1,580	1,722	2,709
Selling, general and administrative	5,426	7,803	10,100	13,868
Total operating expenses	6,635	9,383	11,822	16,577
Income (loss) from operations	(621)	(642)	893	1,171
Other income (expense):				
Interest income	23	24	19	23
Interest expense	(227)	(229)	(226)	(238)
Change in fair value of warrant liabilities	(124)	(118)	(320)	(395)
Other expenses	—	—	—	(205)
Total other expenses, net	(328)	(323)	(527)	(815)
Net income (loss) and comprehensive income (loss)	$ (949)	$ (965)	$ 366	$ 356

Liquidity and Capital Resources

To date, our primary sources of capital have been private placements of preferred stock, debt financing agreements and revenue from the sale of our products. As of December 31, 2019, we had cash and cash equivalents of $23.6 million, $20.0 million of principal outstanding under the credit facility with Signature Bank and an accumulated deficit of $41.2 million.

Based on our current planned operations, we expect that our cash and cash equivalents and available borrowings will enable us to fund our operating expenses for at least 12 months from the date hereof. We may consider raising additional capital to expand our business, to pursue strategic investments, to take advantage of financing opportunities or for other reasons. As revenue from the sale of our products is expected to grow, we expect our accounts receivable and inventory balances to increase. Any increase in accounts receivable and inventory may not be completely offset by increases in accounts payable and accrued expenses, which could result in greater working capital requirements.

If our available cash balances, proceeds from this offering and anticipated cash flow from operations are insufficient to satisfy our liquidity requirements including because of lower demand for our products as a result of the risks described in this prospectus, we may seek to sell additional common or preferred equity or convertible debt securities, enter into an additional credit facility or another form of third-party funding or seek other debt financing. The sale of equity and convertible debt securities may result in dilution to our stockholders and, in the case of preferred equity securities or convertible debt, those securities could provide for rights, preferences or privileges senior to those of our common stock. The terms of debt securities issued or borrowings pursuant to a credit agreement could impose significant restrictions on our operations. If we raise funds through collaborations and licensing arrangements, we might be required to relinquish significant rights to our platform technologies or products or grant licenses on terms that are not favorable to us. Additional capital may not be available on reasonable terms, or at all.

Cash Flows

The following table summarizes our cash flows for each of the years indicated:

(in thousands)	Year Ended December 31, 2018	2019
Net cash (used in) provided by:		
Operating activities	$(10,892)	$ (4,936)
Investing activities	(753)	(3,144)
Financing activities	26,758	10,223
Net increase in cash and cash equivalents	$ 15,113	$ 2,143

Net Cash Used in Operating Activities

Net cash used in operating activities for the year ended December 31, 2019 was $4.9 million, consisting primarily of a net loss of $1.2 million and an increase in net operating assets of $6.3 million, partially offset by non-cash charges of $2.5 million. The increase in net operating assets was primarily due to increases in accounts receivable of $9.0 million and inventories of $2.9 million to support the growth of our operations, an increase in prepaid and other assets of $1.2 million from deferred offering costs, partially offset by increases in accounts payable of $1.8 million and accrued liabilities of $4.9 million due to timing of payments and growth of our operations. The non-cash charges primarily consisted of $0.6 million in depreciation, stock-based compensation of $0.5 million, non-cash interest expense and other charges related to the amended and restated loan and security agreement with East West Bank and credit facility with Signature Bank of $0.3 million, and the change in fair value of the preferred stock warrant liability of $1.0 million.

Net cash used in operating activities for the year ended December 31, 2018 was $10.9 million, consisting primarily of a net loss of $10.2 million and an increase in net operating assets of $1.5 million, partially offset by non-cash charges of $0.8 million. The increase in net operating assets was primarily due to an increase in accounts receivable of $2.2 million due to increase in sales and inventories of $0.6 million to support the growth of our operations, partially offset by increases in accounts payable of $0.4 million and accrued liabilities of $0.8 million due to timing of payments and growth of our operations. Non-cash charges consisted primarily of $0.3 million in depreciation, stock-based compensation of $0.3 million, non-cash interest expense and other charges related to the amended and restated loan and security agreement with East West Bank of $0.1 million and the change in fair value of the convertible preferred stock warrants of $0.1 million.

Net Cash Used in Investing Activities

Net cash used in investing activities in the year ended December 31, 2019 was $3.1 million consisting of purchases of property and equipment.

Net cash used in investing activities in the year ended December 31, 2018 was $0.8 million consisting of purchases of property and equipment.

Net Cash Provided by Financing Activities

Net cash provided by financing activities in the year ended December 31, 2019 was $10.2 million primarily consisting of net proceeds of $9.9 million received from additional borrowings under the credit facility with Signature Bank, $0.8 million in proceeds received from subscription receivable, $0.5 million in deferred financing costs paid, and $0.1 million in proceeds received from the exercise of stock options.

Net cash provided by financing activities in the year ended December 31, 2018 of $26.8 million primarily relates to net proceeds of $26.9 million from the issuance of our Series C convertible preferred stock and $0.2 million of debt financing costs.

Indebtedness

In April 2016, we entered into a loan and security agreement with East West Bank, or the EWB Loan Agreement, providing for a term loan of up to $10.0 million, available in two $5.0 million tranches. In connection with the EWB Loan Agreement, we issued warrants to purchase 256,410 shares of our Series B convertible preferred stock to East West Bank. These warrants have an exercise price of $1.17 per share and expire in 2026. In March 2018, we entered into an amended and restated loan and security agreement with East West Bank, or the Amended and Restated EWB Loan Agreement, to extend the maturity date of the term loan to March 2022 and to extend an interest-only period of the term loan to April 2020. The Amended and Restated EWB Loan Agreement provided for two six-month extensions to the interest-only period, which are available at our written election following the achievement of specified FDA clearance and revenue milestones. Together, these extensions provided for a potential interest-only period under the Amended and Restated EWB Loan Agreement through April 2021. In connection with the EWB Loan Agreement, we paid a facility fee of $100,000 and aggregate final prepayment fees and interest payments of approximately $133,000. As of December 31, 2018, the aggregate outstanding principal balance under the Amended and Restated EWB Loan Agreement was $10.0 million.

The term loan under the Amended and Restated EWB Loan Agreement bore interest at an annual rate equal to the prime rate plus 2.50% (8.00% as of December 31, 2018). Under the terms of the Amended and Restated EWB Loan Agreement, the prime rate was equal to the greater of 4.5% per year and the variable annual rate of interest most recently announced by East West Bank as its “prime rate.” We were required to make monthly payments of interest only through April 2020, subject to the two six-month extensions described above. Following the interest-only periods, we were required to make payments of interest and principal in monthly

installments through maturity of the term loan in March 2022. The Amended and Restated EWB Loan Agreement provided that we could prepay the term loan without penalty or premium. The term loan was secured by substantially all our assets, including intellectual property under certain conditions, and we were subject to certain reporting and financial covenants. As of December 31, 2018, we were in compliance with or received waivers for all covenants under the Amended and Restated EWB Loan Agreement.

In December 2019, we prepaid and terminated the Amended and Restated EWB Loan Agreement and concurrently entered into a $40 million credit facility with Signature Bank, or the SB Credit Facility. The SB Credit Facility consists of a term loan of up to $25 million and a revolving line of credit of $15 million. The term loan is available in two tranches: a $15 million tranche that was fully funded on the closing date, and a $10 million tranche to be available through December 2020 subject to our achievement of at least $60 million of trailing 12 month revenue no later than August 2020. As of December 31, 2019, the aggregate outstanding principal balance under the SB Credit Facility was $20.0 million.

The maturity date of the new term loan is in December 2024. We are required to make monthly payments of interest only through December 2021, subject to two six-month extensions to the interest-only period, which are available following the achievement of specified revenue milestones. The first extension is available upon the achievement of $100 million of trailing 12 month revenue within the initial interest-only period, and the second extension is available upon the achievement of $113 million of trailing 12 month revenue no later than June 30, 2022. Together, these extensions provide for a potential interest-only period of 36 months, through December 2022. The term loan bears interest at an annual rate equal to the greater of 5.50% or the prime rate plus 0.50%. Under the SB Credit Facility, the prime rate for the term loan is equal to the variable annual rate of interest most recently announced by Signature Bank as its “prime rate.” Following the expiry of the interest-only period or any extension thereof, we are required to make payments of interest and principal in equal monthly installments through the maturity of the term loan in December 2024. Under the revolving line of credit, we may borrow, repay and re-borrow up to 80% of eligible accounts receivable up to a maximum of $15 million.

The maturity date of the revolving line of credit is in December 2022 and can be extended to December 2024 if we are able to raise at least $75 million in gross proceeds from an initial public offering. We are required to make monthly payments of interest only through maturity of the revolving line of credit, at which point the entire principal balance is due. The revolving line of credit bears interest at an annual rate equal to the greater of 5.00% or the prime rate. Under the SB Credit Facility, the prime rate for the revolving line is equal to the variable annual rate of interest most recently announced by Signature Bank as its “prime rate.”

We paid a facility fee of $50,000 at time of closing and a final payment fee of 1.0% of the funded term loan amount will be payable at maturity. The SB Credit Facility is secured by substantially all our assets, excluding intellectual property. The SB Credit Facility includes a double negative pledge on our intellectual property. We may prepay the SB Credit Facility at any time without penalty or premium. The SB Credit Facility includes certain reporting and financial covenants, including a financial covenant that requires us to maintain minimum revenue requirements. Pursuant to this covenant, revenue is measured monthly and we are required to achieve trailing 12 month revenues of $40 million no later than December 31, 2019 with incremental monthly increases to $60 million no later than December 31, 2020. Minimum revenue covenant levels will be set annually during the term of the loan by mutual agreement based on the Company’s annual forecast. In addition, the SB Credit Facility includes a covenant that limits our ability to make any distributions or dividends except in specific limited circumstances. As of December 31, 2019, we were in compliance with all covenants contained in the SB Credit Facility.

Off-Balance Sheet Arrangements

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

Contractual Obligations and Commitments

The following table shows our contractual obligations due by period as of December 31, 2019:

	Payments Due by Period				
(in thousands)	Less Than 1 Year	1-3 Years	3-5 Years	More Than 5 Years	Total
Operating lease obligations (1)	$ 573	$ 1,220	$ 1,283	$ —	$ 3,076
SB Credit Facility	—	10,417	9,733	—	20,150
	$ 573	$11,637	$11,016	$ —	$23,226

(1) We lease our facility in Irvine, California under a five-year lease agreement that expires in September 2024.

Critical Accounting Policies and Estimates

Management's discussion and analysis of our financial condition and results of operations is based on our financial statements, which have been prepared in accordance with U.S. generally accepted accounting principles. The preparation of these financial statements requires us to make estimates and assumptions for the reported amounts of assets, liabilities, revenue, expenses and related disclosures. Our estimates are based on our historical experience and on various other factors that we believe are reasonable under the circumstances, the results of which form the basis for making judgments about the carrying value of assets and liabilities that are not readily apparent from other sources. Actual results may differ from these estimates under different assumptions or conditions and any such differences may be material.

While our significant accounting policies are more fully described in Note 2 to our financial statements included in this prospectus, we believe the following discussion addresses our most critical accounting policies, which are those that are most important to our financial condition and results of operations and require our most difficult, subjective and complex judgments.

Revenue Recognition

On January 1, 2019, we adopted Accounting Standards Codification, or ASC, 606, *Revenue from Contracts with Customers*, using the modified retrospective method applied to contracts which were not completed as of that date. Revenue for reporting periods beginning after January 1, 2019 are presented under ASC 606, while prior period revenue amounts are not adjusted and continue to be reported in accordance with the our historic accounting under ASC 605, *Revenue Recognition*.

Under ASC 606, revenue is recognized when a customer obtains control of promised goods or services, in an amount that reflects the consideration which the entity expects to receive in exchange for those goods or services. To determine whether revenue recognition for arrangements is within the scope of ASC 606, we perform the following five steps: (i) identify the contract(s) with a customer; (ii) identify the performance obligations in the contract(s); (iii) determine the transaction price; (iv) allocate the transaction price to the performance obligations in the contract(s); and (v) recognize revenue when (or as) we satisfy a performance obligation.

Product sales of the FlowTriever and ClotTriever systems are made to hospitals in the United States utilizing our direct sales force. Revenue is comprised of product revenue net of returns, administration fees and sales rebates.

Performance Obligation - We have revenue arrangements that consist of a single performance obligation, delivery of our products. The satisfaction of this performance obligation occurs with the transfer of control of our product to our customers, either upon shipment or delivery of the product.

Revenue is measured as the amount of consideration we expect to receive in exchange for transferring goods. The amount of revenue that is recognized is based on the transaction price, which represents invoiced amount and includes estimates of variable consideration such as rebate and administrative fees, where applicable. We provide a 30-day unconditional right of return period. We establish estimated provisions for returns at the time of sale based on historical experience. Historically, the actual product returns have been immaterial to the our financial statements.

Assuming all other revenue recognition criteria have been met, we recognize revenue for arrangements where we have satisfied our performance obligation of delivering the product. For sales where the our sales representatives hand deliver products directly to the hospital, control of the products transfers to the customer upon such hand delivery. For sales where products are shipped, control of the products transfers either upon shipment or delivery of the products to the customer, depending on the shipping terms and conditions. As of December 31, 2019, we recorded $329,600 of unbilled receivables, which are included in accounts receivable, net, in the accompanying balance sheet.

For the years ended December 31, 2018 and 2019, 41% and 38% of revenue was derived from the sale of ClotTriever products, respectively, and 59% and 62% of revenue was derived from the sale of FlowTriever products, respectively.

We offer payment terms to our customer of less than three months, and these terms do not include a significant financing component. We exclude taxes assessed by governmental authorities on revenue-producing transactions from the measurement of the transaction price.

We offer a standard warranty to all customers. We do not sell any warranties on a standalone basis. Our warranty provides that our products are free of material defects and conform to specifications, and we offer to repair, replace or refund the purchase price of defective products. This assurance does not constitute a service and is not considered a separate performance obligation. We estimate warranty liabilities at the time of revenue recognition and record it as a charge to cost of goods sold.

Costs associated with product sales include commissions and are recorded in selling, general and administrative expense. We apply the practical expedient and recognize commissions as expense when incurred because the amortization period is less than one year.

In 2018, we recognized revenue under ASC 605, *Revenue Recognition*, when all the following criteria were met, which was generally when the goods were delivered to the customer and we invoiced the customer:

- appropriate evidence of a binding arrangement exists with the customer;
- the sales price is established with the customer;
- the shipment of the product has been received by the customer; and
- collection of the corresponding receivable from the customer is reasonably assured at the time of sale.

Accounts Receivable

We record trade accounts receivable at the invoiced amount, net of any allowance for doubtful accounts. Any allowance for doubtful accounts is developed based upon several factors including the customers' credit quality, historical write-off experience and any known specific issues or disputes which exist as of the balance sheet date. Account receivable balances are written off against the allowance after appropriate collection efforts are exhausted.

Inventories

Inventories, which includes material, labor and overhead costs, are stated at the lower of cost, determined on a first-in, first-out basis, or net realizable value. We regularly review inventory quantities in process and on hand, and when appropriate, record a provision for obsolete and excess inventory after consideration of actual loss experience, projected future demand, and remaining shelf life. Our policy is to write down inventory that has become obsolete, inventory that has a cost basis in excess of its expected net realizable value and inventory in excess of expected requirements based on future demand and as compared to remaining shelf life. The estimate of excess quantities is subjective and primarily dependent on our estimates of future demand for a particular product. If the estimate of future demand is inaccurate based on actual sales, we may increase the write down for excess inventory for that component and record a charge to inventory impairment in the accompanying statements of operations and comprehensive loss.

Stock-Based Compensation

We maintain an equity incentive plan that permits the grant of share-based awards, such as stock grants and incentives and non-qualified stock options to employees, directors, consultants and advisors.

We estimate the fair value of our stock-based awards made to employees and non-employees based on the estimated fair values as of the grant date using the Black-Scholes option-pricing model, net of estimated forfeitures. The model requires us to make a number of assumptions including expected volatility, expected term, risk-free interest rate and expected dividend yield. We expense the fair value of our equity-based compensation awards on a straight-line basis over the requisite service period, which is the period in which the related services are received. The Black-Scholes model considers several assumptions in estimating the fair value of stock-based awards, including:

Fair Value of Common Stock. As our common stock has never been publicly traded, we must estimate the fair value of the shares of our common stock underlying our stock-based awards. Our board of directors considers numerous objective and subjective factors to determine the fair value of our common stock as discussed in "—Common Stock Valuations" below.

Expected Term. We do not believe we are able to rely on our historical exercise and post-vesting termination activity to provide accurate data for estimating the expected term for use in determining the fair value-based measurement of our options. Therefore, we have opted to use the "simplified method" for estimating the expected term of options, which is the average of the weighted average vesting period and contractual term of the options.

Expected Volatility. Since our common stock has never been publicly traded, the expected volatility is derived from the average historical volatilities of comparable peer public companies within our industry over a period approximately equal to the expected term of the options.

Risk-free Interest Rate. The risk-free interest rate is based on the U.S. Treasury yield in effect at the time of the grant for zero-coupon U.S. Treasury notes with remaining terms similar to the expected term of the options.

Dividend Rate. We assumed the expected dividend to be zero as we have never paid dividends and have no current plans to do so.

In addition to the assumptions used in the Black-Scholes option pricing model, we also estimated a forfeiture rate to calculate the stock-based compensation for our equity awards at the time of grant and revised, if necessary, in subsequent periods if actual forfeitures differ from those estimates. Forfeitures were estimated based on management's expectation using historical forfeiture patterns.

We will continue to use judgment in evaluating the expected volatility and expected terms utilized for our stock-based compensation calculations on a prospective basis. As we continue to accumulate additional data, we may have refinements to our assumptions, which could materially impact our future stock-based compensation expense.

We expect to continue to grant stock options and other equity-based awards in the future, and to the extent that we do, our stock-based compensation expense recognized in future periods will likely increase.

Common Stock Valuation

In the absence of an active market for our common stock, the fair value of our common stock was determined by our board of directors in accordance with the methodologies outlined in the American Institute of Certified Public Accountants Practice Aid, Valuation of Privately-Held-Company Equity Securities Issued as Compensation, or the Practice Aid. In doing so, our board of directors determined the best estimate of fair value of our common stock, exercising reasonable judgment and considering numerous objective and subjective factors, including:

- valuations of our common stock performed by independent third-party valuation specialists;
- our stage of development and business strategy, including the status of research and development efforts, of our products and product candidates, and the material risks related to our business and industry;
- our results of operations and financial position, including our levels of available capital resources;
- the valuation of publicly traded companies in the life sciences and medical device sectors, as well as recently completed mergers and acquisitions of peer companies;
- the lack of marketability of our common stock as a private company;
- the prices of our convertible preferred stock sold to investors in arm’s length transactions and the rights, preferences, and privileges of our convertible preferred stock relative to those of our common stock;
- the likelihood of achieving a liquidity event for the holders of our common stock, such as an initial public offering or a sale of our company, given prevailing market conditions;
- trends and developments in our industry; and
- external market conditions affecting the life sciences and medical device industry sectors.

Our board of directors determined the fair value of our common stock by first determining the enterprise value of our business, and then allocating the value among the various classes of our equity securities to derive a per share value of our common stock. The Practice Aid identifies various available methods for allocating enterprise value across classes and series of capital stock to determine the estimated fair value of common stock at each valuation date.

In allocating enterprise value among the various classes of stock prior to September 2019, we utilized the Option Pricing Method, or OPM, given our early stage of development and the absence of a near term liquidity event. Under the OPM, shares are valued by creating a series of call options with exercise prices based on the liquidation preferences and conversion terms of each equity class. The values of the preferred and common stock are inferred by analyzing these options. From September 2019 onwards, we have utilized a hybrid OPM and Probability-Weighted Expected Return Method, or PWERM. The PWERM is a scenario-based

analysis that estimates the value per share based on the probability-weighted present value of expected future investment returns, considering a number of discrete possible outcomes of the business, as well as the economic and control rights of each share class. Under this hybrid method, we considered expected initial public offering liquidity scenarios as well as other market-based non-initial public offering scenarios in the event a near-term initial public offering does not occur. Additionally, in determining the estimated fair value of our common stock, our board of directors also considered the fact that our stockholders could not freely trade our common stock in the public markets. Accordingly, we applied discounts to reflect the lack of marketability of our common stock based on the weighted-average expected time to liquidity.

Following the completion of this offering, our board of directors will determine the fair value of our common stock based on its closing price as reported on the date of grant on the primary stock exchange on which our common stock is traded.

Estimated fair value of convertible preferred stock warrants

We have issued freestanding warrants to purchase shares of convertible preferred stock to banks in connection with our prior debt arrangements. We account for these warrants as a liability in our financial statements because the underlying instrument into which the warrants are exercisable contains deemed liquidation provisions that are outside our control.

The warrants are recorded at fair value using the Black-Scholes option pricing model. The warrants are subject to remeasurement at each balance sheet date with any changes in fair value being recognized as a component of other income (expense), net in the statements of operations. We will continue to adjust the liability for changes in fair value until the earlier of (i) exercise or expiration of the warrants, or (ii) the completion of this offering or a change of control, at which time outstanding convertible preferred stock warrants will be exercised for shares of common stock and the related final fair value of the warrant liability will be reclassified to stockholders' deficit.

Quantitative and Qualitative Disclosures About Market Risk

Interest Rate Risk

The risk associated with fluctuating interest rates is primarily limited to our debt. As of December 31, 2019, we had $20.0 million outstanding under the SB Credit Facility. Under our SB Credit Facility, we are required to repay the term loan in monthly installments from December 2021 through December 2024, while the revolving line of credit is due in December 2022. The term loan accrues interest at an annual rate equal to the greater of 5.50% or the prime rate plus 0.50% and the revolving line of credit accrues interest at an annual rate equal to the greater of 5.0% or the prime rate. A hypothetical 10% relative change in interest rates during any of the years presented would not have had a material impact on our financial statements. We do not currently engage in hedging transactions to manage our exposure to interest rate risk.

Credit Risk

As of December 31, 2019, our cash and cash equivalents were maintained with three financial institutions in the United States, and our current deposits are likely in excess of insured limits. We do not believe we are exposed to any significant credit risk. Our cash equivalents are invested in highly rated money market funds.

Our accounts receivable primarily relate to revenue from the sale of our products to hospitals and medical centers in the United States. No customer represented 10% or more of our accounts receivable as of December 31, 2019.

Foreign Currency Risk

Our business is primarily conducted in U.S. dollars. Any transactions that may be conducted in foreign currencies are not expected to have a material effect on our results of operations, financial position or cash flows.

JOBS Act Accounting Election

As an emerging growth company under the JOBS Act, we are eligible to take advantage of certain exemptions from various reporting requirements that are applicable to other public companies that are not emerging growth companies. Thus, an emerging growth company can delay the adoption of certain accounting standards until those standards would otherwise apply to private companies. We have elected to take advantage of this extended transition period and, as a result, our operating results and financial statements may not be comparable to the operating results and financial statements of companies who have adopted the new or revised accounting standards.

Recently Issued Accounting Pronouncements

See Note 2 to our financial statements included in this prospectus for new accounting pronouncements not yet adopted as of the date of this prospectus.

Related Parties

For a description of our related party transactions, see “Certain Relationships and Related Party Transactions.”

BUSINESS

Overview

We are a commercial-stage medical device company focused on developing products to treat and transform the lives of patients suffering from venous diseases. Our initial product offering consists of two minimally-invasive, novel catheter-based mechanical thrombectomy devices. We purpose-built our products for the specific characteristics of the venous system and the treatment of the two distinct manifestations of venous thromboembolism, or VTE – deep vein thrombosis and pulmonary embolism. Our ClotTriever product is FDA-cleared for the removal of clot from peripheral blood vessels and is used to treat patients suffering from deep vein thrombosis, or DVT. Our FlowTriever product is the first thrombectomy system FDA-cleared for the treatment of pulmonary embolism, or PE. These products have been used to treat more than 6,700 patients at approximately 500 hospitals across the United States, with approximately 90% of cases being performed since we launched our broader commercial efforts in the third quarter of 2018. We have experienced significant growth since we began commercializing our products and have had strong momentum in our business in 2019, with 4,562 procedures performed using our products in 2019.

VTE is a disease caused by blood clot formation in the veins of the body and is a leading cause of death and disability worldwide. VTE represents the third most common vascular diagnosis in the United States after myocardial infarction and stroke. Researchers estimate that approximately one million people present with VTE in the United States each year, with approximately 668,000 new patients diagnosed with DVT and approximately 400,000 new patients diagnosed with PE each year. VTE results in approximately 296,000 deaths in the United States each year and industry sources estimate that VTE-related direct health care costs exceed $10 billion per year.

Of the estimated 668,000 new DVT diagnoses and 400,000 new PE diagnoses in the United States each year, we believe approximately 242,000 DVT patients and approximately 200,000 PE patients, could benefit from safe and effective treatment with our ClotTriever and FlowTriever products, respectively. This represents a potential annual addressable U.S. market opportunity for our current products of approximately $3.6 billion based on the current average selling prices of our products. We also believe there is a substantial market opportunity outside the United States.

The current standard of care for treating VTE is conservative medical management with anticoagulants, which are drugs designed to prevent further blood clotting but that do not break down or eliminate existing clots. Anticoagulants are intended to stop further clot formation while the body attempts to break down and remove clots using natural mechanisms. Nearly all patients receive this treatment, many of whom remain on anticoagulants for the remainder of their lives. We estimate that 68% of our target DVT patients and 90% of our target PE patients are treated with anticoagulants alone. We estimate that the remaining 32% of our target DVT patients and 10% of our target PE patients also receive additional treatment using mechanical thrombectomy or thrombolytic drug therapy.

Historically, development efforts for mechanical thrombectomy devices have focused on arterial devices, which are then repurposed for use in the venous system. Given the significant differences between the arterial and venous systems and the clot that forms in each system, these devices have difficulty removing venous clot, which is often adhered to the vessel wall and is older, firmer and substantially larger than arterial clot.

Thrombolytic drugs accelerate the body’s natural mechanisms for breaking down clot, which are generally not effective on venous clot. These drugs also are associated with a risk of spontaneous major bleeding, including catastrophic bleeding in the brain. In addition, these drugs are expensive and require monitoring in a critical care setting, such as the intensive care unit, or ICU.

We believe the best way to treat VTE and improve the quality of life of patients suffering from this disease is to safely and effectively remove the blood clot. With that in mind, we designed and purpose-built our

ClotTriever and FlowTriever products. The ClotTriever is a mechanical thrombectomy system designed to core, capture and remove large clots from large vessels and is used to treat DVT. The FlowTriever is a large bore catheter-based aspiration and mechanical thrombectomy system designed to remove large clots from large vessels to treat PE. Both products are designed to eliminate the need for thrombolytic drugs.

We believe our products are transformational because they offer hospitals, physicians and patients the following key benefits:

- ***Capture and remove large clot burden from large vessels.***
- ***Liberate clot mechanically and remove venous clot from the vessel wall.***
- ***Eliminate the need for thrombolytic drugs.***
- ***Remove clot safely with minimal blood loss.***
- ***Offer simple, intuitive and easy to use solutions to physicians.***
- ***Enable short, single-session treatment with improved hospital and physician efficiency.***
- ***Require no capital investment.***

We believe the historical bias for conservative medical management is largely due to the ineffectiveness of, and risks associated with, current alternative treatments, and the lack of mechanical tools capable of removing venous clot in a safe, effective and simple way. The standard of care for treatment of other thrombotic diseases, such as myocardial infarction and stroke, has evolved from the use of anticoagulants alone to anticoagulants together with thrombolytic drugs and eventually to anticoagulants together with definitive catheter-based interventions. We believe our products could be the catalyst to drive the same evolution of treatment for venous diseases, establishing our products as the standard of care for DVT and PE.

Our ClotTriever and FlowTriever have received 510(k) clearance from the FDA. The primary clinical study we have completed to date regarding the safety and effectiveness of our products is our FlowTriever Pulmonary Embolectomy Clinical Study, or FLARE study, which was completed in October 2017. The FLARE study supported FDA 510(k) clearance of the FlowTriever for the treatment of PE, which was received in May 2018. The study met both of its primary endpoints, demonstrating the safety and effectiveness of the FlowTriever for the treatment of PE without the use of thrombolytic drugs. There were no device-related major adverse events. Of the 106 patients evaluated, four patients (3.8%) experienced six major adverse events in the 48 hours after treatment, all of which were determined to be procedure-related. We are committed to continuing to develop a strong base of clinical evidence and real-world patient outcomes to further support the safety and effectiveness of our products. We are currently enrolling two 500-patient registries: ClotTriever Outcomes, or CLOUT, for DVT and FlowTriever All-Comer Registry for Patient Safety and Hemodynamics, or FLASH, for PE. As of December 31, 2019, CLOUT and FLASH had enrolled 93 and 117 patients, respectively. In addition, there are more than 10 ongoing investigator-initiated studies being conducted. We believe these efforts will generate a robust cadence of publications, drive adoption of our products, increase awareness of venous diseases and inform the design of future definitive clinical trials.

We believe our venous-focused commercial organization provides a significant competitive advantage. Our most important relationships are between our sales representatives and our target physicians, which include interventional cardiologists, interventional radiologists and vascular surgeons. We have developed systems and processes to harness the information gained from these relationships and we leverage this information to rapidly iterate products, introduce and execute physician education and training programs and scale our sales organization. We market and sell our products to hospitals, which are reimbursed by various third-party payors.

We have dedicated meaningful resources to building a direct sales force in the United States, which consisted of 63 sales representatives as of December 31, 2019, and we are actively expanding our sales organization through additional sales representatives and territories.

We have experienced significant growth since we began commercializing our products in the United States. We generated revenue of $51.1 million, with a gross margin of 88.4% and net losses of $1.2 million for the year ended December 31, 2019, compared to revenue of $6.8 million, with a gross margin of 81.2% and net losses of $10.2 million for the year ended December 31, 2018. Our accumulated deficit was $41.2 million as of December 31, 2019.

Our Success Factors

We believe the continued growth of our company will be driven by the following success factors:

- ***Sole focus on and deep understanding of the venous system and venous diseases.*** We are pioneering the development and commercialization of devices that are designed and purpose-built for the specific characteristics of the venous system, its diseases and its unique clot morphology. Treatment of the venous system and its diseases presents a different set of challenges and requirements than the arterial system, and represents a new frontier for the application of catheter-based solutions. Historically, development efforts have focused on repurposing arterial devices for use in the venous system. Given the significant differences between the arterial and venous systems, these efforts have largely been ineffective in treating VTE. Inari's sole focus on the venous system and deep knowledge of our target market has enabled us to understand the unmet needs of our patients and physicians. This has allowed us to rapidly innovate and enhance our products and has informed our clinical and educational programs.

- ***Proprietary devices designed to safely and effectively remove large volumes of clot from large vessels while eliminating the need for thrombolytic drugs.*** Our ClotTriever and FlowTriever products are minimally-invasive devices designed to remove large volumes of clot from the venous system, without the use of thrombolytic drugs. They work simply, safely and effectively, and facilitate short, single-session treatments for both DVT and PE. Historically, patients suffering from DVT and PE were primarily treated with anticoagulants, which are drugs designed to prevent further blood clotting but that do not break down or eliminate existing clots. Other drug-based alternatives, including catheter-directed thrombolysis, are also used with limited effectiveness and, in some cases, with major bleeding. We believe our purpose-built venous thrombectomy products offer significant treatment benefits and have the potential to become the standard of care for DVT and PE.

- ***Large market opportunity for patients with unmet needs.*** In the United States, we estimate there are approximately 242,000 DVT patients and 200,000 PE patients each year that could benefit from treatment with our ClotTriever and FlowTriever products, respectively. We estimate that 68% of these target DVT patients and 90% of these target PE patients are treated with conservative medical management involving anticoagulants alone, which do not break down or eliminate existing clot. As a result, we believe there is a significant unmet need for safe and effective treatment and removal of existing clot in patients with these diseases. We believe the historical bias for conservative medical management is largely due to the ineffectiveness of, and risks associated with, current alternative treatments, and the lack of mechanical tools capable of removing venous clot in a safe, effective and simple way. The standard of care for treatment of other thrombotic diseases, such as myocardial infarction and stroke, has evolved from the use of anticoagulants alone to anticoagulants together with thrombolytic drugs and eventually to anticoagulants together with definitive catheter-based interventions. We believe that our products could be the catalyst to drive the same evolution of treatment for venous diseases. We estimate the potential annual total addressable market for our

products in the United States is approximately $3.6 billion, assuming the current average selling prices of our products, and that there is also a significant opportunity for our products outside the United States.

- ***Rapidly scaling commercial organization leveraging unique insights.*** Our most important relationships are between our sales representatives and physicians. Our front-line sales representatives attend over 80% of the procedures in which our products are used, which puts us at the intersection of the patient, product and physician. We have developed systems and processes to harness the information gained from these interactions and we leverage this information to rapidly iterate products, introduce and execute physician education and training programs and scale our sales organization. We are rapidly expanding our network of sales representatives. As of December 31, 2019, we had 63 sales representatives, up from 21 sales representatives as of December 31, 2018.

- ***Simple, intuitive and easy to use products with minimal training required.*** Our products are minimally invasive, easy to use, single-use devices that do not require capital equipment or the use of thrombolytic drugs. We designed and developed our products to enable a short learning curve and consistent ease of use. Our products are designed to utilize standard endovascular skills possessed by our target physicians. Our target physicians are interventional cardiologists, interventional radiologists and vascular surgeons, each of which can readily learn the required additional techniques for use of our products. We believe this simplicity and ease of use will continue to help drive adoption of our products.

- ***Compelling hospital economics and improved hospital and physician efficiency.*** We believe our products can reduce the cost of treating DVT and PE. We designed our products to eliminate the need for expensive thrombolytic drugs. These drugs require a costly ICU stay and carry a significant risk of major bleeding, which is an expensive and dangerous complication. Our products facilitate short, single-session treatments for both DVT and PE, and we believe have the potential to reduce the total length of hospital stay and improve hospital economics. In addition, our products can drive hospital and physician efficiency. We believe these economic benefits support the approval of our products by hospital value analysis committees, group purchasing organizations and integrated delivery networks, which reduces a key barrier to adoption by our physician customers.

- ***Unique culture of focus on patient care, driving value creation.*** We believe that VTE patients have been poorly understood, under treated and mostly ignored by industry participants. Our key purpose is to serve and improve the quality of life of these patients, our patients. We believe that the clot itself matters and that removing it can have a profound impact on the lives of our patients over the short and long term. We believe it is our responsibility to ensure as many of our patients as possible are treated safely, effectively and simply. We have implemented hiring and recruiting systems to carefully select professionals who share our beliefs and goals. We believe that extraordinary outcomes are possible when a group of people commit, together, to ideas and purposes bigger than themselves and bigger than business. We pursue our key purpose with a team of people who commit themselves to a cause and to each other.

Our Growth Strategy

Our mission is to treat and transform the lives of patients suffering from venous diseases. To accomplish this, we intend to establish our products as the standard of care for the treatment of venous diseases. The key elements of our growth strategy are:

- ***Continuing to expand our U.S. sales force.*** We currently sell our products to approximately 500 of the approximately 1,500 hospitals in the United States with a catheterization laboratory, or cath lab,

where interventional procedures can be performed. VTE patients present to, and can be treated at, any of these hospitals, whereas some other diseases, such as stroke, require referrals to tertiary care facilities for advanced treatment. We had 63 sales representatives as of December 31, 2019. We plan to rapidly and efficiently grow our sales organization in order to target and expand our network of hospital and physician customers, and believe there is a significant opportunity to grow our business through this continued expansion of our commercial footprint.

- ***Driving increased awareness and adoption of our products in existing and future hospital customers.*** As we expand our network of hospital customers, we intend to increase awareness within these hospitals in order to drive greater adoption of our products as the preferred first-line solution for the treatment of venous diseases. To accomplish this, we conduct regular national, regional and local training and educational programs for both interventional and non-interventional physicians. In addition, we are leveraging our expanding sales organization to increase the awareness of our products with our target physicians, referring physicians and other stakeholders at the account level. Our goal is to increasingly drive towards small sales territories that allow for deeper engagement within existing hospital customers. This strategy enables our sales representatives to have regular and targeted communications to convey the benefits of our products to non-interventional physicians, such as emergency department physicians and pulmonologists. These physicians often play an important role in helping to determine patient care. We also train our sales representatives to communicate the clinical and economic benefits of our products with hospital administrators. We believe this comprehensive approach is key to continuing to drive increased adoption of our products within existing and new hospital customers.

- ***Building upon our base of clinical evidence.*** We are committed to continuing to build upon our base of clinical evidence, which we believe will help drive increased awareness and adoption of our products. The primary clinical study we have completed to date is our FLARE study, which established the safety and effectiveness of the FlowTriever for the treatment of PE without the use of thrombolytic drugs. We are currently enrolling two 500-patient registries, CLOUT for DVT and FLASH for PE, and there are more than 10 ongoing investigator-initiated studies being conducted. These studies will evaluate and assess real-world patient outcomes and we believe they will generate a robust cadence of publications, drive adoption of our products, increase awareness of venous diseases and inform the design of future definitive clinical trials.

- ***Continuing to expand our portfolio of venous products.*** We are currently focused on three key goals as we develop additional and next generation venous products for commercialization. First, we seek to continue to enhance the effectiveness, efficiency and ease of use of our current products. Second, we plan to expand the application of our thrombectomy technology to areas of the body that are not addressed by our existing products. Third, we are developing solutions beyond thrombectomy to address other unmet needs.

- ***Pursuing strategically adjacent markets and international opportunities.*** We believe there is an opportunity to leverage our commercial footprint to expand beyond venous into adjacent vascular markets. In addition, venous diseases are prevalent worldwide, and we believe there is a significant opportunity for our products outside the United States. Although we are primarily focused on addressing the significant domestic market opportunity, in time we expect to commercialize our solutions internationally as well.

Market Overview

Our Market

Industry sources estimate that approximately 668,000 patients in the United States are diagnosed with DVT each year. Of these, approximately 242,000 patients, or 38%, have DVT located in the iliofemoral region

and are candidates for treatment using our ClotTriever product. Iliofemoral DVT, located in the thigh and pelvis, is the most clinically relevant form of this condition due to its large clot volume, poor long-term prognosis and higher risk of adverse outcomes. We believe the ClotTriever offers an innovative solution for these 242,000 patients that is safe and more effective than current treatment alternatives. This represents an approximately $1.6 billion per year U.S. market opportunity for DVT based on the current average selling price of the ClotTriever.

Industry sources estimate that approximately 400,000 patients in the United States are diagnosed with PE each year. Of these, approximately 200,000 patients, or 50%, have PE that is severe enough to cause right heart strain. PE with right heart strain is associated with a larger clot burden, higher acute mortality and poor long-term prognosis. We believe the FlowTriever offers an innovative solution for these 200,000 patients that is safe and more effective than current treatment alternatives. This represents an approximately $2.0 billion per year U.S. market opportunity for PE based on the current average selling price of the FlowTriever.

Collectively, the potential annual addressable U.S. market for our current products is approximately $3.6 billion. We also believe there is a substantial market opportunity for DVT and PE outside the United States.

Venous and Arterial Systems and Clot Morphology

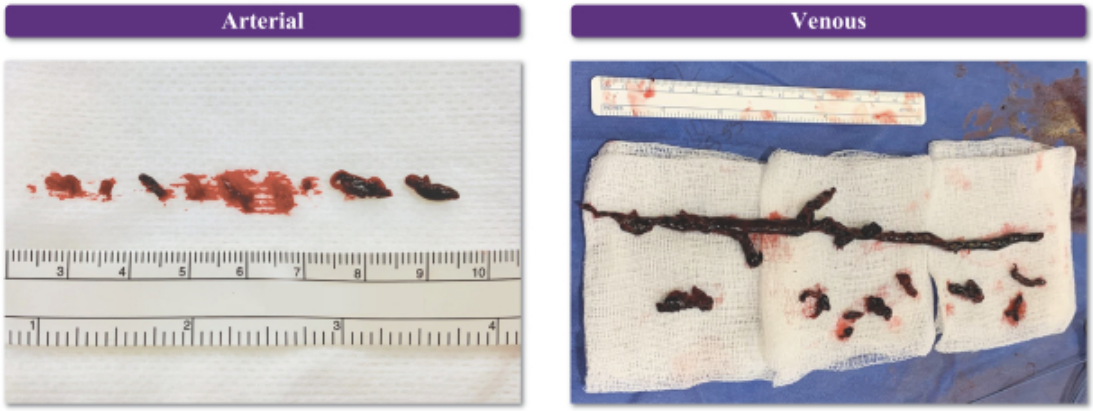
The vascular system is made up of vessels that carry and circulate blood throughout the body. The system consists of the arterial system, a network of vessels that carry oxygenated blood away from the heart to the body, and the venous system, a network of vessels that return blood from the body back to the heart. The arterial system is characterized by high velocity blood flow under high pressure. As blood moves through arteries to the body, arteries gradually taper in the direction of blood flow and branch off into smaller vessels, terminating in capillaries. Venous blood flow travels at a lower velocity and under lower pressure than arterial blood flow. Veins carry blood back to the heart and, as a result, enlarge in the direction of blood flow. Due to these important differences, the clinical presentation and clot morphology of venous diseases differ significantly from arterial diseases. As a result, VTE presents a specific set of challenges and corresponding requirements for effective treatment solutions.

A blood clot initially forms as a fibrin-rich, gel-like substance. It can occur in response to slowing blood flow, damage to a blood vessel or a patient’s inherent increased tendency to clot.

Due to the characteristics of the arterial system, clot that forms in arteries quickly becomes occlusive, which causes sudden and dramatic symptoms that require the patient to quickly seek medical attention. Examples of conditions caused by arterial clot include myocardial infarction, or MI, and stroke. As these clots are discovered quickly, they are soft and fibrin-rich. Further, these clots are small because they form in smaller vessels. For example, arterial clot that causes MI or stroke is generally about the size of a grain of rice. In addition, arterial clot is usually not adhered to the wall of the artery.

Due to the characteristics of the venous system, the volume of venous clot gradually increases and adheres to the vessel wall, growing inwards towards the center of the vessel (thicker) and along the vessel wall (longer), further restricting blood flow through the affected vein. Venous clot can develop over days or weeks before causing symptoms severe enough to prompt the patient to seek medical attention. During this time, as venous clot ages, its fibrin composition is rapidly replaced by a firmer collagen matrix. For example, according to a published study, the collagen content of a clot can reach 20% within one week and 80% within three weeks. The body’s natural mechanisms for breaking down and removing clot targets fibrin. Therefore, as a clot ages it generally becomes more resistant to the body’s natural ability to break down and eliminate it. As a result, by the time patients seek medical attention, their venous clot has likely become resistant to the natural mechanisms for treatment and has become quite significant in size.

The following images depict examples of arterial and venous clots:



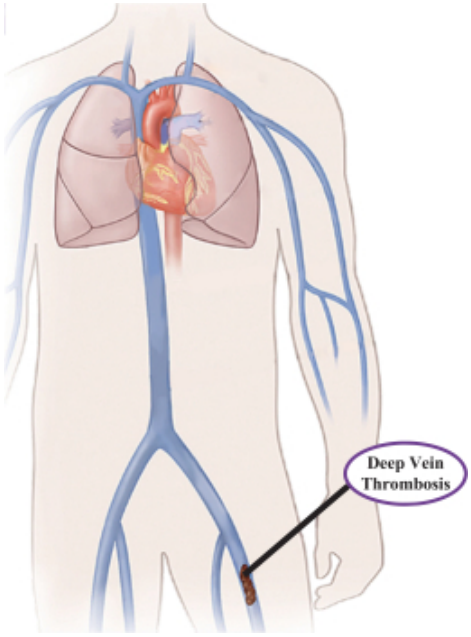
Venous Thromboembolism

Venous thromboembolism, or VTE, is a disease caused by blood clot formation in the venous system. VTE has two distinct manifestations – deep vein thrombosis, or DVT, and pulmonary embolism, or PE. VTE is a leading cause of death and disability worldwide and represents the third most common vascular diagnosis in the United States after myocardial infarction and stroke. According to industry sources, PE is the third leading cause of cardiovascular death in the United States and is the most common cause of preventable deaths in hospitals in the United States. Researchers estimate that there are up to approximately one million VTE patients in the United States each year. VTE results in approximately 296,000 deaths in the United States each year and industry sources estimate that VTE-related direct health care costs exceed $10 billion per year.

Deep Vein Thrombosis

DVT occurs when clot forms in the deep veins of the extremities of the body, such as the legs. While DVT can occur in any deep vein, it commonly occurs in the iliac, femoral and popliteal veins, which are located in the pelvis, thigh and knee, respectively.

The image below depicts the location of DVT in the patient's body:



A variety of factors can contribute to the development of clots that can cause DVT including: compression on the vein, surgery, trauma or bone fracture, long periods of bed rest, reduced blood flow from immobility, cancer, pregnancy, birth control pills and varicose veins. In addition, certain people are genetically predisposed for increased clotting. Typical symptoms of DVT include:

- swelling in the foot, ankle or leg, usually on one side;
- cramping pain in the affected leg, usually beginning in the calf;
- unexplained pain in the foot or ankle;
- warm skin; and
- discoloration of the skin, usually bluish or reddish.

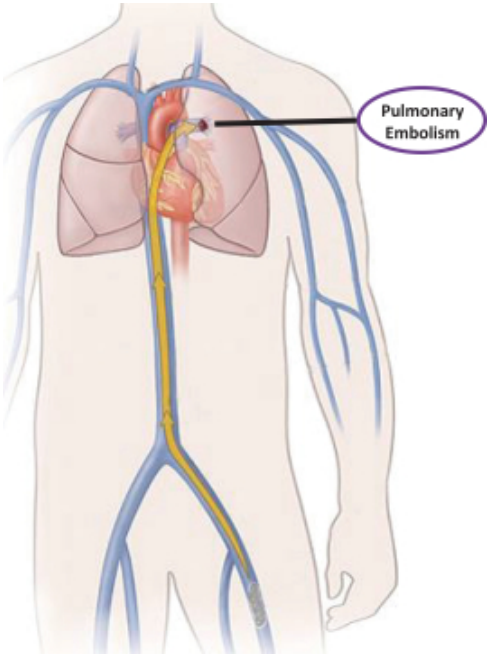
Upon presentation, DVT can be readily diagnosed via a standard ultrasound imaging assessment that is usually performed in the emergency room.

Symptoms can persist and worsen over time if left untreated. In addition, the location of the DVT can have a significant impact on prognosis and the ability to treat the affected vein. For example, iliofemoral DVT is typically the most dangerous and has large clot volume, poor long-term prognosis and a higher risk of adverse outcomes. Approximately 50% of patients suffering from DVT will develop post-thrombotic syndrome, or PTS, which is caused by chronic scarring and occlusion of vessels. PTS is a severe, lifestyle-limiting disease that is characterized by chronic pain, swelling and skin ulcers. Approximately 90% of patients with PTS are unable to work 10 years after diagnosis.

Pulmonary Embolism

PE occurs when a venous clot embolizes or becomes mobile, travels through the heart and gets lodged in the pulmonary arteries of the lungs. Venous clot that causes PE originates as DVT.

The image below depicts the location of PE in the patient's body:



A blood clot in the pulmonary arteries increases pressure in these vessels, which causes an increase in the workload of the heart. This initiates a cascade of events, leading to trouble breathing, chest pain, coughing blood, rapid heartbeat and passing out. Upon presentation, PE can be readily diagnosed via a computerized tomography, or CT, scan of the chest.

The most serious complication associated with PE is death, usually due to cardiovascular collapse from sudden failure of the heart, specifically the right ventricle. As many as 50% of patients who survive have long-term residual pulmonary vascular obstruction due to the body's inability to break down and eliminate the clot. These patients may experience significant impaired function of the heart and lungs, shortness of breath, reduced exercise capacity and lifestyle limitations. In addition, these patients have a statistically higher rate of recurrent PE, pulmonary hypertension, heart failure and death.

PE is often characterized and stratified based on risk to the patient. High risk, or massive, PE is characterized by right heart strain and low systemic blood pressure, and has a mortality rate of up to 50%. Intermediate risk, or submassive, PE is characterized by right heart strain with normal systemic blood pressure, and has a mortality rate of 12-15%. Low risk, or minor PE, has minimal risk of mortality. Approximately 5%, 45% and 50% of PE patients are categorized as high risk, intermediate risk and low risk, respectively.

Current Treatment Alternatives and Their Limitations

There are several treatment options for DVT and PE patients, ranging from conservative medical management to advanced catheter-based interventions. We estimate that 68% of our target DVT patients and

90% of our target PE patients are treated with anticoagulants alone. We estimate that the remaining 32% of our target DVT patients and 10% of our target PE patients also receive additional treatment beyond anticoagulation. These treatments include mechanical thrombectomy, thrombolytic drugs and surgery. There is no consistent approach for determining whether a given patient receives anticoagulants alone or in conjunction with additional treatments. Due in part to the limitations and potential dangers of these additional treatments, most patients are treated with anticoagulation alone.

Anticoagulant Drugs

Conservative medical management with anticoagulant drugs is, and for several decades has been, the primary treatment for DVT and PE. Nearly all patients receive this treatment, many of whom remain on anticoagulants for the remainder of their lives. Anticoagulants do not break down or eliminate existing blood clots. Instead, anticoagulants are intended to stop the formation of additional blood clots and limit the growth of existing blood clots while the body attempts to break down and remove clots using natural mechanisms. Anticoagulation is often initiated on an inpatient basis via intravenous blood thinners, such as heparin or enoxaparin. Patients generally remain in the hospital for several days for monitoring while on these drugs. Once stabilized, the patient is transitioned to oral therapy with either Coumadin or a direct-acting oral anticoagulant, such as Eliquis or Xarelto, and is then discharged from the hospital. Patients can remain on these drugs for months or years, and some patients will remain on these drugs for the remainder of their lives.

Mechanical Thrombectomy

Mechanical thrombectomy is an interventional procedure in which a catheter is used to remove clot from vessels in the body, typically by aspiration. There are dozens of catheters available for this type of procedure, although these devices were almost all originally designed for use in the arterial system, which involves the removal of soft, small clots from small vessels. For example, the Penumbra Indigo system is a mechanical thrombectomy system that was initially designed for use in the arterial system. Although this system is not yet approved for treatment of PE, the system met its primary endpoint in a recent clinical trial, demonstrating safety and efficacy for aspiration-based mechanical thrombectomy in patients with acute PE.

Some mechanical thrombectomy devices use a hybrid approach that combines aspiration-based mechanical thrombectomy and localized delivery of thrombolytic drugs. For example, the AngioJet Rheolytic Thrombectomy System, or AngioJet, uses a catheter to deliver a high velocity stream of saline and thrombolytic drug to the clot and then aspirate the clot.

We believe there are a number drawbacks and limitations to existing mechanical thrombectomy treatment options and that existing options do not adequately treat VTE for several reasons, including:

- *Limited ability to remove large, older clots*. Due to the characteristics of the venous system and venous clot morphology, by the time VTE is diagnosed, the underlying clot can be significant in size and hardened as a result of the change in composition from a fibrin matrix to a firmer collagen matrix. Most current mechanical thrombectomy devices are designed to aspirate fresher arterial clot, which is small and soft. As a result, these devices can be inadequate and ineffective for removing the larger, older clots associated with VTE.

- *Limited ability to remove clot from the vessel wall.* Unlike arterial clots, venous clots attach to the vessel wall. Most current mechanical thrombectomy products are aspiration-based systems. Aspiration alone does not always liberate venous clot from the vessel wall. As a result, while some clot can be removed by aspiration, significant residual clot can remain in the vein following aspiration.

- *Increased safety risks*. Rheolytic-based aspiration systems create a risk of damage to red blood cells due to the high shear forces involved with the therapy. These damaged cells can in turn cause a slow

heart rate, low blood pressure and kidney dysfunction. For example, one rheolytic system has an FDA black box warning for the treatment of PE. For DVT, the duration of treatment with rheolytic systems is frequently limited to reduce the risk of acute kidney injury.

- *Multi-stage treatment with multiple procedures*. Mechanical thrombectomy procedures are often performed as one part of a multi-stage treatment for DVT that is combined with thrombolytic drug therapy. Multi-stage treatment increases cost and decreases efficiency for the hospital, and increases risk and inconvenience for the patient. In multi-stage treatment, the initial mechanical thrombectomy takes place in the cath lab. The initial procedure is often insufficient at removing clot, which necessitates the placement of thrombolytic catheters to infuse thrombolytic drugs. The patient is then sent to the ICU for one or more days for monitoring during infusion. The patient is then returned to the cath lab for catheter removal, further assessment of clot burden and additional treatment.

Thrombolytic Drugs and Catheter-Directed Thrombolysis

Thrombolytic drugs accelerate the body's natural mechanisms for clearing clot by catalyzing the enzyme that breaks down the fibrin composition of clot. These drugs have demonstrated efficacy in breaking down newly-formed, fibrin-rich clot. However, thrombolytic drugs are generally not effective on older clot in which clot composition has changed from a fibrin matrix to a firmer collagen matrix.

Treatment with thrombolytic drugs is associated with a risk of spontaneous major bleeding, including catastrophic bleeding in the brain. To address some of this risk, catheter-directed thrombolysis was developed to deliver a smaller dose of thrombolytic drug directly to the site of the clot. The catheter-directed procedure involves placing a small catheter into a vein, usually at the knee or groin, and through the clot. Thrombolytic drugs are then infused through the catheter into the clot for several hours to several days. Thrombolytic drugs are always delivered in a critical care setting, such as the ICU, due to the significant bleeding risk.

Thrombolytic drugs can also be administered via catheters that simultaneously emit ultrasonic energy. For DVT and PE, the EKOS EndoWave Infusion Catheter System, or EKOS, is designed to increase the efficiency of thrombolysis by accelerating the destruction of clot using ultrasound.

We believe that thrombolytic drug therapy does not adequately treat VTE for several reasons, including:

- *Limited effectiveness in breaking down venous clot*. We believe that thrombolytic drugs do not have a significant impact on venous clot. Thrombolytic drugs accelerate the body's natural mechanisms for clearing clot by catalyzing the enzyme that breaks down the fibrin composition of clot. Due to the characteristics of the venous system and venous clot morphology, by the time thrombolytic drugs are administered, the composition of the underlying clot will often have changed from a fibrin matrix to a firmer collagen matrix. This transition in clot morphology begins early and progresses quickly, with collagen content reaching approximately 80% within three weeks. Thrombolytic drugs are generally not effective on this type of older clot, which means that all or a portion of the underlying clot can remain following treatment with thrombolytic drugs.

- *Substantial risks of severe bleeding and contraindications.* Treatment with thrombolytic drugs is associated with a risk of spontaneous major bleeding, including catastrophic bleeding in the brain. The overall rate of major bleeding with thrombolytic drugs is over 20%, including a 2-3% risk of intracranial hemorrhage. Lower dose catheter-directed thrombolysis can help to reduce this risk, however, major bleeding has been observed in up to 10% of patients who received catheter-based thrombolysis in studies in which patients were carefully selected for treatment. Thrombolytic drugs are contraindicated in up to 50% of VTE patients, including, among others, patients who are elderly, have had a recent surgery or stroke or that have active bleeds, which further limits their utility as a treatment option.

- *Expensive, resource intensive and time consuming treatment.* Treatment with thrombolytic drugs requires intensive monitoring of the patient in a critical care setting, such as the ICU, due to the significant bleeding risk. Further, catheter-directed thrombolysis can require ongoing treatment for several hours to several days as thrombolytic drugs are infused into the clot, the entirety of which is monitored in the ICU. This is inconvenient and uncomfortable for the patient, time consuming for the provider and expensive for the payor. In addition, ICU beds are in limited supply and high demand at many hospitals, so treatment with thrombolytic drugs can have important implications for hospitals, physicians and other critically ill patients.

Other Treatment Options

Other treatment options for DVT include stenting and intravascular filters to catch clot in the event that it embolizes. In addition, open surgical embolectomy is used in a very limited number of critical patients. Open surgical embolectomy is an invasive open chest surgery in which blood flow is stopped and a ventilator is used while surgeons physically remove clot from the patient. According to a published study, less than 250 open surgical embolectomy procedures are performed in the United States each year.

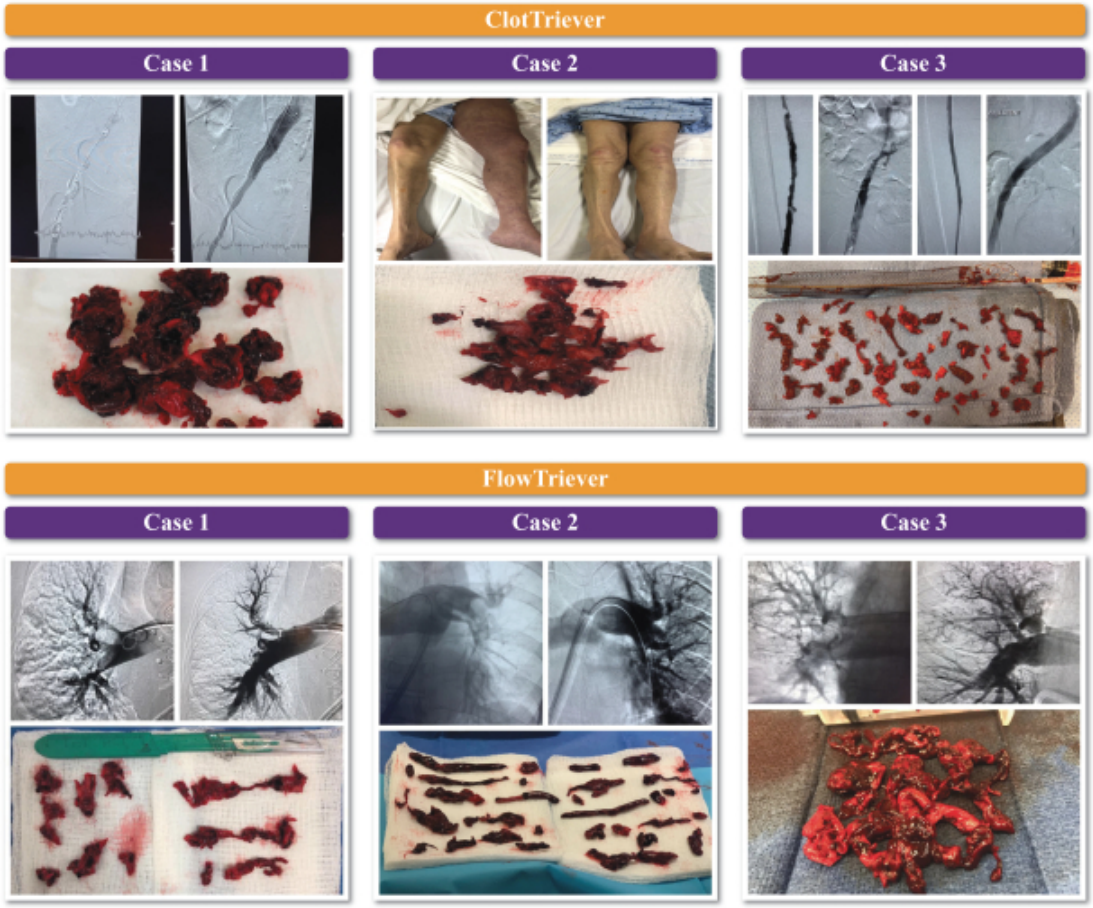
Our Solution

We believe that the venous system represents the newest frontier for effective catheter-based mechanical treatments. The treatment of other thrombotic diseases, such as myocardial infarction and stroke, has evolved from the use of anticoagulants to thrombolytic drugs and eventually to definitive catheter-based interventions. We believe this evolution has contributed to improved treatment outcomes and decreased mortality rates for these diseases. We believe this evolution of treatment to definitive catheter-based intervention has not yet occurred for VTE because existing devices do not safely and effectively remove venous clot. For example, while the number of annual PE diagnoses has generally increased over time, we believe existing treatment options have not had a meaningful impact on mortality rates. We believe our purpose-built ClotTriever and FlowTriever products offer significant clinical benefits and address the safety and effectiveness limitations of thrombolytic drugs and repurposed arterial devices for the treatment of VTE. We believe our products could be the catalyst to drive the evolution of treatment for VTE and have the potential to become the standard of care for treatment of VTE patients.

Key Benefits of our ClotTriever and FlowTriever Products

We believe the ClotTriever and FlowTriever are transformational devices that address the specific characteristics and requirements of the venous system and venous clot morphology and offer hospitals, physicians and patients the following key benefits:

- ***Capture and remove large clot burden from large vessels.*** Our ClotTriever and FlowTriever products are mechanical thrombectomy devices specifically designed for the clinical and technical challenges of DVT and PE, respectively. As such, both systems are capable of capturing and removing the significant clot volumes associated with VTE from large vessels. The images below depict examples of results and clot volume removed from procedures using our products:



- ***Liberate mechanically and remove venous clot from the vessel wall.*** As venous clot ages and its composition changes from a fibrin matrix to a firmer collagen matrix, the body begins to absorb the clot into the vessel wall and the clot becomes adhered, making it more difficult to remove. We have designed our products to address this challenge by incorporating unique components that enable them to mechanically engage and liberate the clot from the vessel wall and remove it from the body.

- ***Eliminate the need for thrombolytic drugs.*** Our products have been designed to remove large clot volumes from large vessels without the need for thrombolytic drugs. Treatment without thrombolytic

drugs is beneficial for several important reasons. First, many patients who are contraindicated for use of thrombolytic drugs can potentially be treated with our products. Second, avoiding thrombolytic drugs eliminates the significant risk of bleeding associated with these drugs. Third, thrombolytic drugs are usually administered by continuous infusion for several hours or days while the patient is monitored in the ICU, which is expensive. Patients treated using our products often avoid the ICU entirely.

- ***Remove clot safely with minimal blood loss.*** Our products have been used to treat more than 6,700 patients and have demonstrated an excellent safety profile. Our mechanical approach to clot removal helps to minimize bleeding complications associated with other treatment options.

- ***Offer simple, intuitive and easy to use solutions to physicians.*** We designed and developed our products to enable a short learning curve and consistent ease of use. Our products are designed to utilize standard endovascular skills possessed by our target physicians. Our target physicians are interventional cardiologists, interventional radiologists and vascular surgeons, each of which can readily learn the required additional techniques for use of our products. In addition, our products employ mechanical and aspiration mechanisms of action that are already familiar to the operating physician.

- ***Enable short, single-session treatment with improved hospital and physician efficiency.*** Our products are intended to facilitate short, single-session treatments for both DVT and PE, with the potential to reduce the length of ICU stay and total length of hospital stay. Both of our products are designed for multiple passes during the procedure to maximize clot removal. As a result, our products can eliminate the need for thrombolytic drugs, which require monitoring in the ICU and often require a second procedure to remove infusion catheters, assess clot burden and determine whether further treatment is needed. We estimate the average device usage time for treatment with the ClotTriever is between 30 and 45 minutes and the average procedure time for treatment with the FlowTriever is between 75 and 90 minutes. We believe these short, single-session treatments result in less discomfort and more convenience for the patient, lower costs for the hospital and more efficient workflow for both the hospital and the physician.

- ***Require no capital investment.*** Both of our products are fully self-contained systems and do not require additional capital equipment to perform the procedure. This eliminates an important barrier to hospital adoption and makes the procedure simpler for the physicians and staff.

ClotTriever

The ClotTriever is a mechanical thrombectomy system designed to core, capture and remove large clots from large vessels and is used to treat DVT. The ClotTriever is a single-use, sterile system that is deployed over a wire and does not require capital equipment. The FDA cleared the ClotTriever for the non-surgical removal of soft thrombi and emboli from peripheral blood vessels in February 2017. The ClotTriever has been used to treat more than 3,500 patients.

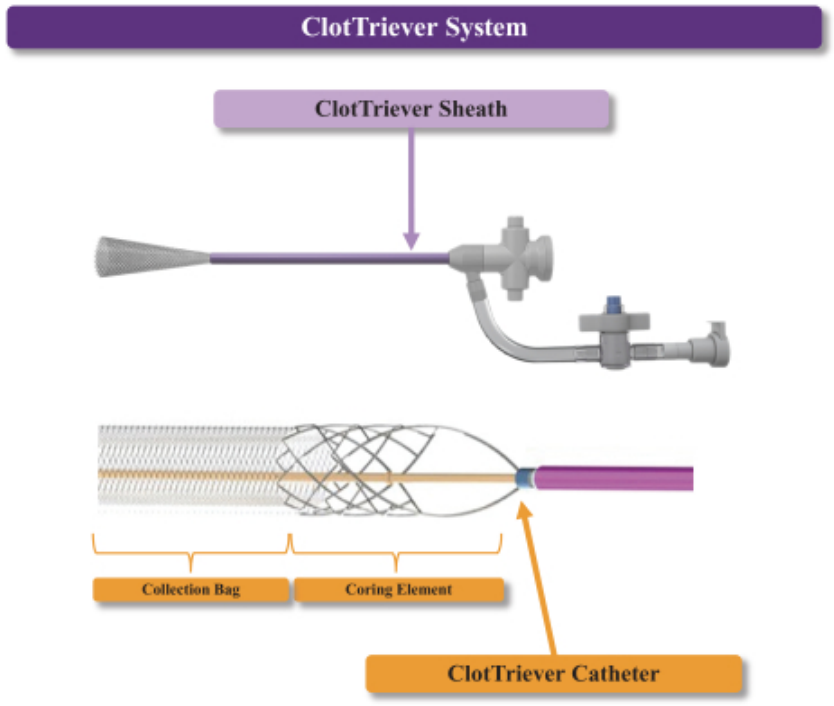
The ClotTriever system consists of two components:

- ClotTriever sheath – The ClotTriever sheath is a 15 cm sheath that features a self-expanding nitinol mesh funnel at its tip designed to maximize clot removal. In addition, the sheath features a stopcock for aspiration and a hemostatic valve for catheter insertion. It is packaged with a custom designed large bore 60 cc syringe that fits the sheath’s wide flush/aspiration port to help facilitate effective aspiration.

- ClotTriever catheter – The ClotTriever catheter is designed to safely core and collect clot from the vessel wall for extraction through the ClotTriever sheath. The ClotTriever catheter is a catheter that

features an expandable nitinol coring element at its leading edge. A braided nitinol clot collection bag is attached behind the coring element and is designed to collect clot and provide embolic protection. The catheter has a working length of 74 cm and can accommodate vessels between 6-16 mm in diameter. The catheter handle has a mechanism that is used to apply tension to the coring element.

The image below depicts the components of the ClotTriever system:



Procedure

A ClotTriever procedure is performed in a cath lab, interventional suite or operating room. The patient is typically placed on his or her stomach on the procedure table. Using standard endovascular techniques, the procedure begins with a needle puncture in the back of the leg to gain access to the vein. A guidewire is inserted and advanced through the clot and is positioned beyond the clot. The ClotTriever sheath is then advanced over the guidewire and positioned in the vein in the back of the leg. Once in position, the self-expanding nitinol mesh funnel is deployed from the tip of the sheath. The funnel expands to the wall of the vein and helps to ensure efficient capture and removal of the clot. Next, the ClotTriever catheter is advanced over the guidewire and through the sheath. The catheter is advanced over the guidewire through the clot and is positioned beyond the clot in the inferior vena cava for deployment.

The catheter is then unsheathed to expose the self-expanding nitinol coring element and collection bag. Using the catheter's handle mechanism, tension is then applied to the coring element, which expands to the wall of the vein. The catheter is then slowly retracted back towards the sheath, coring and liberating the clot from the vessel wall and capturing it within the collection bag, which provides embolic protection throughout the duration of the retraction. Clot removal is entirely mechanical, which minimizes blood loss and does not require the use of thrombolytic drugs or a stay in the ICU. The catheter is slowly retracted back through the diseased vessel until the coring element of the catheter connects with the funnel of the sheath. Using the same handle mechanism, tension is then removed from the coring element and the catheter is withdrawn through the sheath. As the

catheter enters the sheath, the clot is safely collapsed and elongated inside the collection bag. After the catheter has been fully removed from the body, any remaining clot particles in the sheath can be removed using aspiration.

Once removed from the body, we have developed techniques that enable the efficient removal of clot from the catheter, which can then be reinserted for additional passes to remove more clot. There is an average of four passes per case. Upon completion of the treatment, the sheath is removed from the patient and the physician completes standard closure of the access site. We estimate the current average device usage time for the treatment with the ClotTriever to be between 30 and 45 minutes and that the ClotTriever removes an average of 80-90% of the target clot.

Pricing

The vast majority of ClotTriever procedures use a single ClotTriever catheter and single ClotTriever sheath. Each component is priced and packaged separately. We do not offer consignment for the ClotTriever.

FlowTriever

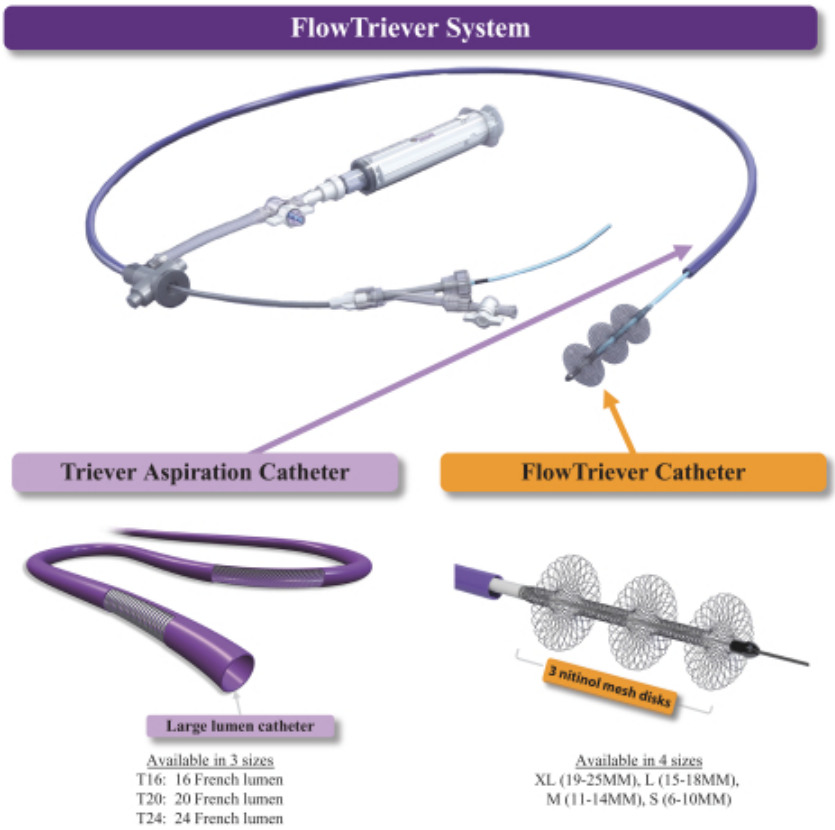
The FlowTriever is a large bore catheter-based aspiration and mechanical thrombectomy system designed to remove large clots from large vessels to treat PE. The FlowTriever is a single-use, sterile system that is deployed over a wire and does not require capital equipment. The FDA cleared the FlowTriever for the non-surgical removal of thrombi and emboli from blood vessels in the peripheral vasculature in February 2015. In May 2018, we received clearance for labeling for the treatment of PE. The FlowTriever has been used to treat more than 3,200 patients.

The FlowTriever consists of two main components:

- Triever aspiration catheters – Triever aspiration catheters are highly trackable, large lumen catheters that provide a conduit for aspiration and clot removal. Triever aspiration catheters are available in three sizes, 16, 20 and 24 French. Each Triever aspiration catheter is a single lumen catheter featuring a stopcock with a port designed for flush or aspiration, and a proximal hemostasis valve for catheter insertion, if needed. The Triever aspiration catheters are packaged with a custom designed large bore 60 cc syringe that fits the sheath’s wide flush/aspiration port to facilitate effective aspiration and limit blood loss.

- FlowTriever catheter – FlowTriever catheters are designed to engage, liberate and deliver the clot to the Triever aspiration catheter for extraction. FlowTriever catheters are delivered to the clot through the Triever aspiration catheter. Each FlowTriever catheter consists of a coaxial shaft and features three self-expanding nitinol mesh disks at its distal end that are designed to maximize clot liberation and removal. These disks are available in four sizes ranging from 6 to 25 millimeters in diameter.

The image below depicts the components of the FlowTriever system:



Procedure

A FlowTriever procedure is performed in a cath lab, interventional suite or operating room. The patient is typically placed on his or her back on the procedure table. Using standard endovascular techniques, the procedure begins with a needle puncture in a large vein in either the groin or the neck. A guidewire is inserted and advanced through the venous system, through the right side of the heart, and is passed through the target clot in the pulmonary artery. The large bore Triever aspiration catheter is then advanced over the guidewire to the target clot. Once the Triever aspiration catheter is in position, the stopcock on the back of the system is closed and the large bore 60 cc syringe is attached. The syringe is used to create a strong vacuum. Opening the stopcock releases the vacuum. This vacuum, when delivered through the large bore Triever aspiration catheter, creates a high flow aspiration, which we call the Whoosh, that draws clot into the Triever aspiration catheter. The flow volume is limited by the large bore 60 cc syringe, which helps to minimize blood loss. Multiple passes and aspirations are possible depending on the clot volume and number of vessels to be treated. We estimate the median blood loss from procedures using the FlowTriever to be 280 cc.

If clot remains following aspiration, the FlowTriever catheter may be advanced through the Triever aspiration catheter to just beyond the clot. We estimate that the FlowTriever catheter is used in approximately 50-60% of cases. Once in position, the FlowTriever catheter is unsheathed to deploy the self-expanding nitinol mesh disks into the clot. The FlowTriever catheter is then slowly pulled back toward the Triever aspiration catheter, disrupting the clot and delivering it to the Triever aspiration catheter. The Triever aspiration catheter can be used for further aspiration if needed.

Upon completion of the treatment, all devices and wires are removed from the patient and the physician completes standard closure of the entry site. We estimate the average device usage time for treatment with a FlowTriever is between 40 and 50 minutes, and the average procedure time for treatment with a FlowTriever is between 75 and 90 minutes and that the FlowTriever removes an average of 75% of the target clot.

Pricing

The use of the FlowTriever system varies significantly based on the specific patient's diagnosis and disease characteristics. For example, some patients are treated using aspiration alone and, as a result, the relevant procedure uses one or more Triever aspiration catheters but does not require a FlowTriever catheter. Other patients are treated using aspiration in combination with mechanical engagement of the clot, in which case the procedure uses one or more Triever aspiration catheters and one or more FlowTriever catheters. Due to the variability in use across procedures, we price the FlowTriever on a per procedure basis. As a result, a customer is charged the same price for each procedure that uses the FlowTriever system, regardless of what combination of products is used to treat the patient. We believe that this approach provides greater pricing certainty, can help to preserve hospital economics and emphasizes clinical considerations in determining device use for any given procedure. Each component is packaged separately. We do not currently offer consignment for the FlowTriever system.

FlowTriever for DVT

A portion of patients with DVT present with anatomical complexities and lesion types that require more involved procedures and techniques to treat their disease. In these cases, physicians may elect to use one or more components of our FlowTriever system to treat DVT, with or without the ClotTriever. Year-to-date as of November 30, 2019, we estimate that approximately 12% of our DVT procedures were performed using only our FlowTriever system and approximately 8% of our DVT procedures were performed using our ClotTriever and at least one component of the FlowTriever system. We believe the cross-treatment application of our products reflects the complexity of venous disease, versatility of our product portfolio and the value of a comprehensive venous solution.

Clinical Data

The primary clinical study we have completed to date is our FlowTriever Pulmonary Embolectomy Clinical Study, or FLARE study, which established the safety and effectiveness of the FlowTriever for the treatment of PE without the use of thrombolytic drugs. We are committed to continuing to develop a strong base of clinical evidence and real-world patient outcomes to further support the safety and effectiveness of our products. We are currently enrolling two 500-patient registries: CLOUT for DVT and FLASH for PE. In addition, there are more than 10 ongoing investigator-initiated studies being conducted. We believe these efforts will generate a robust cadence of publications, drive adoption of our products, increase awareness of venous diseases and inform the design of future definitive clinical trials, with the goal of establishing our products as the standard of care for treatment of DVT and PE.

ClotTriever

The FDA granted 510(k) clearance of the ClotTriever in February 2017 based on a determination that the ClotTriever was substantially equivalent to a legally marketed predicate device. We were not required by the FDA to conduct clinical studies on the ClotTriever prior to seeking clearance. We are aware of a significant number of case reports, as well as independent research by various hospitals and researchers, that provide clinical evidence supporting the use of the ClotTriever. To continue to build on our base of clinical evidence for the treatment of DVT using the ClotTriever, we are currently enrolling patients in the CLOUT registry to evaluate real-world patient outcomes using the ClotTriever in up to 500 patients.

CLOUT Registry

The CLOUT registry is a prospective, multi-center, single-arm registry designed to evaluate real-world patient outcomes and capture several longer term outcome measures. We plan to enroll up to 500 patients with lower extremity DVT at up to 50 sites across the United States. The registry will enroll all-comer patients, including patients with bilateral DVT and clots of any age, with a primary analytic dataset that will include 91 patients with unilateral DVT of less than six weeks' duration. We believe data from the registry will generate a robust cadence of publications and, ultimately, will inform the design of future definitive clinical trials with the goal of establishing the ClotTriever as the standard of care for treatment of DVT. As of December 31, 2019, we have enrolled 93 patients in the CLOUT registry.

Eligible patients must meet inclusion criteria specified for the registry. Generally, patients must exhibit lower extremity DVT affecting, alone or in combination, the femoral, common femoral, iliac veins or inferior vena cava, or IVC. Notably, there are no exclusions for age of clot. Patients will be excluded if they have received a prior venous stent in the target venous segment, have IVC aplasia or hypoplasia or other congenital anatomic anomalies of the IVC or iliac veins, have an IVC filter in place at the time of treatment, have allergy, hypersensitivity or thrombocytopenia from heparin or iodinated contrast agents that cannot be adequately pre-treated, have a life expectancy of less than one year, have long-term non-ambulatory status, have known hypercoagulability, which is the tendency to have or form clot as a result of inherited or acquired molecular defects, that cannot be medically managed throughout the study period or do not have an available lower extremity venous access site for the procedure.

The primary outcome measures will be evaluated in the primary analytic dataset, which is expected to include 91 patients with unilateral DVT of less than 6 weeks' duration. The primary safety endpoint is the composite of patients that experience major adverse events, including death, major bleeding, symptomatic PE or rethrombosis of the target venous segment, within 30 days of treatment using the ClotTriever. The primary effectiveness outcome measure is the rate of technical success from the procedure, which is defined as the complete or near complete (75% or greater) removal of clot from the target venous segment. Secondary safety outcomes that are also being reported include minor bleeding, access site complications and device and procedure-related death. Secondary effectiveness outcome measures include recurrent DVT and scores on various clinical symptom tests. In addition, there are follow-up visits for patients at up to two years from the date of treatment.

Initial results from the first 50 patients in the registry were presented at the Vascular InterVentional Advances, or VIVA, conference in November 2019. These initial results included procedural outcomes and information from these patients and outcomes from 33 patients for which follow-up data was collected 30 days after treatment. We believe these initial results demonstrate the ability of the ClotTriever to successfully treat a range of clot in patients with DVT in a single session and without the need for thrombolytic drugs. For example, clot was removed in all patients and 76.5% of patients met the study's primary effectiveness endpoint of complete or near complete removal of clot. Of the 33 patients for which follow-up data was collected regarding post-thrombotic syndrome, or PTS, 25 patients (75.8%) showed complete reversal of their PTS within 30 days of treatment. Patients experienced statistically significant improvements in disease severity and quality of life scores within 30 days of treatment, with no device or procedure-related major adverse events. One patient (2.0%) died on day 23 after treatment because of sepsis and kidney failure associated with metastatic lung cancer. No bleeding complications were reported. We believe these results are even more impressive given the complexity of the patient population. For example, over half of the patients enrolled previously received alternative DVT treatment in the 30 days prior to treatment using the ClotTriever. In addition, approximately three quarters of the patients enrolled had clots estimated to be more than two weeks old, which we believe represents a patient population that has never been previously studied for purposes of DVT thrombectomy. Almost all patients were treated in a single session and the median thrombectomy time was 38 minutes.

Below is a summary of the outcomes information presented at the VIVA conference in November 2019:

Measure	Baseline pre-treatment	At 30 days post-treatment	P-value
Villalta score (1)	10	3	<0.01
PTS rate (2)	93.9%	24.2%	<0.01
Moderate/severe PTS rate (3)	51.5%	9.1%	<0.01
Revised Venous Clinical Severity Score (4)	6	3	<0.01
EuroQol-5 Dimension Score (5)	0.79	0.88	<0.01
Numeric Pain Rating Scale score (6)	3	0	<0.01

(1) Villalta score is a disease score specific for post-thrombotic syndrome, or PTS, that is used to diagnose and categorize the severity of the condition. Points are provided for five symptoms (pain, cramps, heaviness, paresthesia and pruritus) and six clinical signs (pretibial edema, skin induration, hyperpigmentation, redness, venous ectasia and pain on calf compression). Points are based on severity and range from 0 (not present) to 3 (severe). Generally, a score of 5 or greater results in a PTS diagnosis, while a score of 5-9 signifies mild disease, 10-14 signifies moderate disease and 15 or greater, or the presence of an ulcer, signifies severe disease.

(2) Percent of patients with PTS.

(3) Percent of patients with moderate or severe PTS.

(4) Revised Venous Clinical Severity Score is a disease score that is used to diagnose and categorize the severity of venous disease. Points are provided for a variety of metrics, including pain, varicose veins, venous edema, skin pigmentation, inflammation, induration, active ulcer characteristics and use of compression therapy. Points are based on severity and range from 0 (none) to 3 (severe). A lower score signifies less severe venous disease.

(5) EuroQol-5 Dimension is a widely used instrument to evaluate generic quality of life. The instrument is a preference-based measure with one question for each of the five dimensions that comprise the instrument: mobility, self-care, usual activities, pain/discomfort and anxiety/depression. Answers can be converted into an index with scores of 0 signifying death or worst possible health and 1 signifying perfect or best possible health.

(6) The Numeric Pain Rating Scale is an unidimensional measure of pain intensity in adults. It is an 11 point scale from 0 (no pain) to 10 (most pain imaginable) that is based on patient selection of a value that is most in line with the intensity of pain that they have experienced in the prior 24 hours.

Below is a summary of the procedural information presented at the VIVA conference in November 2019:

Procedural information	Total (median [interquartile range] or n (%))
Subacute/chronic clot (older than 2 weeks)	37/50 (74.0%)
Previous treatment of current DVT in 30 days prior to treatment	27/50 (54.0%)
Single-session treatment	48/49 (98.0%)
Number of ClotTriever passes	4.0 [3.0, 4.0], n=49
Thrombectomy time (minutes) (1)	38.0 [25.0, 62.0], n=45
Estimated blood loss (cc)	27.5 [25, 75], n=42
Length of stay: Hospital (days)	2 [0, 3.5], n=47
Length of stay: ICU (days) (2)	0, n=50

(1) Amount of time ClotTriever used during procedure.

(2) Two patients had ICU stays of 1 day each.

FlowTriever

The safety, effectiveness and clinical advantages of the FlowTriever have been observed in our first clinical trial, the FLARE study, and have also been observed in multiple post-market studies competed by

various hospitals and research organizations. The FLARE study was conducted under an investigational device exemption, or IDE, approved by the FDA, and was conducted to evaluate the safety and effectiveness of the FlowTriever for use in the removal of clot from the pulmonary arteries and in the treatment of acute PE. The study supported FDA 510(k) clearance for the FlowTriever. The results of the study were published in May 2019 in the *Journal of the American College of Cardiology: Cardiovascular Interventions*. We believe that additional safety and effectiveness data from a broader range of patients is important to drive adoption of our product. As such, we are currently enrolling patients in the FlowTriever All-Comer Registry for Patient Safety and Hemodynamics, or FLASH registry, to evaluate real-world patient outcomes using the FlowTriever in up to 500 patients. We anticipate initial interim results from the FLASH registry to be presented in the third quarter of 2020. As adoption of the FlowTriever continues to expand, we expect various hospitals and researchers to conduct additional studies.

FLARE Study

Our first clinical trial, the FLARE study, was a prospective, single-arm, multicenter IDE study conducted at 18 sites across the United States from April 2016 to October 2017. The study evaluated the treatment of 106 patients with intermediate risk PE using the first generation FlowTriever. The study met both of its primary endpoints, which demonstrated safety and effectiveness and represented what we believe to be the first demonstration of successful treatment of PE without the use of thrombolytic drugs or its consequent ICU stay. Data from the study supported FDA 510(k) clearance for the FlowTriever.

All patients enrolled in the study were symptomatic for 14 days or less, with clinical signs and presentation consistent with PE, including documented proximal PE by computed tomography, or CT, angiography, and a site-reported right ventricle/left ventricle, or RV/LV, ratio of 0.9 or greater by CT. Patients were required to have a stable heart rate and systolic blood pressure and to be deemed medically eligible for an interventional procedure. Patients were excluded for, among others, use of thrombolytic drugs within 30 days of their CT angiography for the study, active cancer and contraindication to anticoagulant therapy. Patients with recent surgery and other high bleeding risks were not excluded.

The primary effectiveness endpoint was a reduction in core laboratory-assessed RV/LV ratio. The average RV/LV ratio decreased from 1.53 ($n = 104$) at baseline assessment to 1.15 ($n = 101$) in the 48 hours after treatment using the FlowTriever, representing a statistically significant reduction in RV/LV ratio of 0.38 on average (25.1%; $p < 0.0001$).

The primary safety endpoint was measured by device-related death, major bleeding, treatment-related clinical deterioration, pulmonary vascular injury or cardiac injury in the 48 hours after treatment using the FlowTriever. Four patients (3.8%) experienced six major adverse events in the 48 hours after treatment. All major adverse events were determined to be procedure related, with no device-related major adverse events. All four (3.8%) patients exhibited clinical deterioration. There was one major bleeding event (0.9%) and one pulmonary vascular injury. The major bleeding event experienced by one patient was also classified as a pulmonary vascular injury and as clinical deterioration. Two patients (1.9%) experienced respiratory deterioration during or immediately after the procedure that required emergent intubation. One patient (0.9%) became agitated during the procedure, requiring increased sedation, and had a ventricular fibrillation event that required cardioversion and emergent intubation. An additional 10 patients experienced serious adverse events within 30 days after treatment, none of which were determined to be procedure or device-related. In total, 14 patients (13.2%) experienced 26 serious adverse events within 30 days, with five patients (4.7%) experiencing multiple serious adverse events. One patient (0.9%) died within 30 days of treatment because of respiratory failure from undiagnosed metastatic breast cancer. The mean procedure time was 94 minutes.

The FLARE study also provided evidence supporting other potential advantages of the FlowTriever. Only two patients (1.9%) in the study were administered thrombolytic drugs. Further, the average ICU stay of patients enrolled in the study was 1.5 days and 41.3% of patients did not go to the ICU. The average total hospital stay for patients enrolled in the study was 4.1 days.

St. Luke's Hospital Study

The safety and effectiveness of treatment of PE using the FlowTriever has been studied and documented by researchers at St. Luke's Hospital in Kansas City, Missouri, who published their early case experience results in the *Journal of Vascular and Interventional Radiology* in September 2019. This retrospective, single-center study was conducted at St. Luke's Hospital from March 2018 to March 2019 using both the first and second generation FlowTrievers. The study demonstrated a continued positive safety profile for treatment of PE using the FlowTriever in a single-center real-world patient population with high technical and clinical success rates.

The study evaluated the treatment of 46 PE patients using the FlowTriever. Eight patients had high risk, or massive, PE and 38 patients had intermediate risk, or submassive, PE. All patients had right heart strain and 12 patients had contraindication to therapy with thrombolytic drugs.

Technical success was determined according to Society of Interventional Radiology guidelines and was based on navigation and use of the FlowTriever. Technical success was achieved in 100.0% of patients.

Clinical success was based on a reduction in pulmonary artery pressure, or PAP, at the end of the procedure. Clinical success was achieved in 37 of 42 evaluated patients (88.0%). The average PAP decreased from 33.9 mmHg before treatment to 27.0 mmHg after treatment using the FlowTriever, representing a statistically significant average reduction in PAP of 6.9 mmHg on average (20.4%; $p < 0.0001$). In addition, 27 of 38 patients with intermediate risk PE (71.1% of total patients with intermediate risk PE) demonstrated a reduction in supplemental oxygen requirements during the procedure.

All patients survived to hospital discharge and there were no device-related complications or deaths within 30 days after treatment. Two patients (4.6%) experienced major adverse effects. One patient (2.2%) experienced procedure-related blood loss requiring a transfusion. One patient (2.2%) developed hemoptysis that was self-limiting and required intubation, likely due to a puncture caused by the guidewire. Both of these patients recovered well. Two patients (4.6%) died within 30 days of treatment, one due to metastatic pancreatic cancer and one due to anoxic brain injury from prolonged out of hospital cardiac arrest that was triggered by PE but occurred prior to treatment.

Toma Study

Additional information regarding the safety and effectiveness of treatment of PE using the FlowTriever was presented at the Transcatheter Cardiovascular Therapeutics, or TCT, symposium in September 2019. The information presented related to a retrospective, multi-center study, or the Toma Study, that was conducted at three sites across the United States from October 2017 to March 2019. The study evaluated the treatment of 27 critically-ill patients with high risk, or massive, PE, a population whose mortality rate would be up to 50%. The study evaluated the effectiveness of the FlowTriever for the treatment of the highest risk, critically-ill PE patients, and reported mortality outcomes and hemodynamic improvements that we believe have the potential to improve the treatment of this challenging patient population.

Patients were included if they had high risk, or massive, PE, which was defined for purposes of the study as needing vasopressor support, respiratory failure due to PE or hemodynamic evidence of decreased cardiac index by right heart catheterization. Patients were at high risk for bleeding, with a number of post-trauma patients and patients having had recent surgery or strokes. Six patients previously required cardiopulmonary resuscitation, or CPR, and three patients failed systemic thrombolysis, prior to treatment with the FlowTriever.

Procedural success, which was defined as clot removal with clinical improvement, was achieved in 25 patients (93.0%). In addition, researchers observed significant improvements in PAP, pulmonary artery saturation, cardiac output, heart rate and systolic blood pressure following treatment.

There were no vascular complications or cardiac or pulmonary injuries reported in the study. The conditions of two patients (7.4%) deteriorated during the procedure. One of these patients (3.7%) was stabilized on extracorporeal membrane oxygenation, and one patient (3.7%) died during the procedure. Researchers involved with the Toma Study have determined that neither of these events were device- or procedure-related. Together, we believe these data show a meaningful improvement for this patient population whose mortality rate would be up to 50%.

FLASH Registry

We are currently enrolling patients in the FlowTriever All-Comer Registry for Patient Safety and Hemodynamics, a prospective, multi-center registry designed to evaluate real-world patient outcomes and capture several acute and longer term outcome measures. We plan to enroll up to 500 patients with intermediate and high risk PE at up to 50 sites across the United States. We believe data from the FLASH registry will generate a robust cadence of publications and, ultimately, will inform the design of future definitive clinical trials with the goal of establishing the FlowTriever as the standard of care for treatment of PE. We expect initial interim results from the FLASH registry to be presented in the third quarter of 2020. As of December 31, 2019, we had enrolled 117 patients in the FLASH registry.

Eligible patients must meet inclusion criteria specified for the registry. Generally, patients must exhibit clinical signs and symptoms consistent with acute PE and/or CT or pulmonary angiography evidence of proximal filling defect in at least one main or lobar pulmonary artery and be scheduled for treatment for PE using the FlowTriever at the investigator's discretion. Patients will be excluded if they are unable to receive anticoagulant therapy, have known sensitivity to radiographic contrast agents that cannot be adequately pre-treated, have a life expectancy of less than 30 days or are participating in another investigational drug or device treatment study that would interfere with participation in the registry, or if imaging evidence or other evidence suggests that the patient is not appropriate for a catheter-based thrombectomy procedure.

The primary outcome measure is the composite of patients that experience major adverse events, including device-related death, major bleeding, or device or procedure-related adverse events, in the 48 hours after treatment using the FlowTriever. Secondary safety outcomes that are also being reported include the rate of patients with individual components of composite major adverse events in the 48 hours after treatment and the rates of death and device-related serious adverse events within 30 days of treatment. Secondary effectiveness outcomes include change in pulmonary artery pressures, changes in a range of on-table hemodynamic measurements and utility measures, such as length of stay in the ICU and hospital. In addition, there are follow-up visits for patients at up to six months from the date of treatment.

Ongoing Studies

There are a number of additional studies that are ongoing. For example, there are more than 10 investigator-initiated studies being conducted to evaluate, among others, clot morphology, healthcare economics and long-term implications involving VTE. Examples of additional studies include:

- OhioHealth Riverside Methodist Hospital in Columbus, Ohio and CVPath Institute are analyzing DVT and PE samples to determine the chronicity of clot, degree of collagen-transformation and resistance to fibrinolysis.

- Memorial Sloan Kettering in New York, New York is conducting a study treating DVT in a cancer center. Cancer patients have a high risk of DVT and PE due to hypercoagulability, which is the tendency to have or form clot as a result of inherited or acquired molecular defects, but there is reluctance to treat such patients due to limited life expectancies.

Sales and Marketing

We currently sell our products to approximately 400 of the approximately 1,500 hospitals in the United States with a cath lab where interventional procedures can be performed. Our target physicians are interventional cardiologists, interventional radiologists and vascular surgeons. As we expand our network of hospital customers and leverage our expanding sales organization, we seek to increase awareness within these hospitals and with our target physicians, referring physicians and other stakeholders at the account level in order to drive greater adoption of our products as the preferred first-line solution for the treatment of venous diseases. This strategy enables our sales representatives to have regular and targeted communications to convey the benefits of our products to non-interventional physicians, such as emergency department physicians and pulmonologists. To accomplish this, we conduct regular national, regional and local training and educational programs for both interventional and non-interventional physicians. We have dedicated meaningful resources to building a direct sales force in the United States and we are actively expanding our sales organization through additional sales representatives and territories. We have 510(k) clearance in the United States for our ClotTriever and FlowTriever products. We are in the process of obtaining CE Marks for both FlowTriever and ClotTriever, which will provide us with the ability to commercialize in Europe in the future.

We recruit sales representatives who have substantial and applicable medical device and/or sales experience. Our most important relationships are between our sales representatives and physicians. Our front-line sales representatives attend over 80% of the procedures in which our products are used, which puts us at the intersection of the patient, product and physician. We have developed systems and processes to harness the information gained from these interactions and we leverage this information to rapidly iterate products, introduce and execute physician education and training programs and scale our sales organization. We are rapidly expanding our network of sales representatives. As of December 31, 2019, we had 63 sales representatives, up from 21 sales representatives as of December 31, 2018.

Our products are simple, intuitive and easy to use, and do not require significant additional training. They are designed to utilize standard endovascular skills. Our target physicians can readily learn the required additional techniques for use of our products.

Coverage and Reimbursement

In the United States, we sell our products to hospitals. Hospitals in turn bill various third-party payors, such as Medicare, Medicaid and private health insurance plans, for the total healthcare services required to treat the patient. Government agencies, private insurers and other payors determine whether to provide coverage for a particular procedure and to reimburse hospitals for inpatient treatment at a fixed rate based on the diagnosis-related group, or DRG, as determined by the U.S. Centers for Medicare and Medicaid Services, or CMS. The fixed rate of reimbursement is based on the procedure performed, and is unrelated to the specific medical device used in that procedure. Medicare rates for the same or similar procedures vary due to geographic location, nature of facility in which the procedure is performed (i.e., teaching or community hospital) and other factors. While private payors vary in their coverage and payment policies, most use coverage and payment by Medicare as a benchmark by which to make their own decisions.

ClotTriever

Procedures using our ClotTriever product are categorized under CPT code 37187 for venous mechanical thrombectomy procedures. The primary ICD-10-CM diagnosis code for DVT is I82.40. The MS-DRGs are 270 when the patient presents with major complications or co-morbidities, 271 when the patient presents with a complication or co-morbidity, and 272 for patients without complications or co-morbidities.

The 2020 in-hospital physician professional fee payment for CPT code 37187 is $412. The 2020 total related value units for CPT code 37187 is 11.41. We believe physicians feel this level of payment represents a reasonable amount for these types of procedures.

The 2020 CMS national average payment amounts for MS-DRGs 270, 271 and 272 are $31,985, $22,207 and $16,281, respectively. The MS-DRG payments for procedures using ClotTriever are intended to cover all hospital costs associated with treating a patient during his or her hospital stay, with the exception of physician charges associated with performing medical procedures. We believe that facilities feel this level of payment represents a reasonable amount for these treatments.

FlowTriever

Procedures using our FlowTriever product are categorized under CPT code 37184 under arterial, noncoronary, mechanical thrombectomy procedures. The primary ICD-10-CM diagnosis code for PE is I26.9. The MS-DRGs are 163 when the patient presents with major complications or co-morbidities, 164 when the patient presents with a complication or co-morbidity, and 165 for patients without complications or co-morbidities.

The 2020 in-hospital physician professional fee payment for CPT code 37184 is $456. The 2020 total related value units for CPT codes 37184 is 12.64. We believe physicians feel this level of payment represents a reasonable amount for these types of procedures.

The 2020 CMS national average procedure payment amounts for MS-DRGs 163, 164 and 165 are $30,504, $15,845 and $11,574, respectively. The MS-DRG payments for FlowTriever procedures are intended to cover all hospital costs associated with treating a patient during his or her hospital stay, with the exception of physician charges associated with performing medical procedures. We believe that facilities feel this level of payment represents a reasonable amount for these treatments.

We understand that in 1983, CMS adopted a National Coverage Determination, or NCD, for Transvenous Pulmonary Embolectomy, NCD 240.6. At that time, NCD 240.6 deemed pulmonary embolectomy to be experimental and non-covered by Medicare. NCD 240.6 does not have a published effective date, does not provide any details about the covered procedure or devices, and does not cite any of the factors or evidence that was used to establish non-coverage. Since that time, technology and clinical practices related to embolectomy have changed significantly. We also understand that multiple physician societies have requested that CMS remove NCD 240.6 through an expedited process available to remove NCDs that have not been updated in at least 10 years.

While NCD 240.6 is published, CMS approved Medicare coverage for FlowTriever procedures performed in connection with our FLARE study under Medicare's Category B IDE coverage policy. Hospitals have continued to perform FlowTriever procedures, and we are not aware of any coverage concerns related to those procedures from Medicare or any private insurance carrier. See "Risk Factors—Risks Related to Our Business—Catheter-based treatment for PE is subject to a Medicare National Coverage Determination that may restrict Medicare coverage for procedures using our FlowTriever product for the treatment of PE."

Research and Development

We are dedicated to the venous system and are committed to driving innovation for the treatment of VTE, including DVT and PE. We believe our ability to develop innovative products for the treatment of VTE is attributable to our dedicated focus on the venous system, the design philosophy and product innovation process that we have implemented, our efforts to leverage and expand our clinical evidence and the insights that we have gained from our work in developing our products to date. Our engineering team has broad mechanical and biomedical engineering, project management, materials science, design and prototyping expertise.

Our research and development effort is informed by near real-time field-based input from our sales organization, physicians and the direct field experience of our engineers. This process has allowed us to rapidly innovate and enhance our products. For example, the FLARE study was completed using the first generation

FlowTriever. We are currently selling the third generation FlowTriever, which has improved clot removal, ease of use and procedure times, all of which has resulted in rapid adoption. We expect to introduce our fourth generation FlowTriever in the first quarter of 2020, which is designed to further improve product performance. Likewise, we are currently selling the third generation ClotTriever, and we expect to introduce the fourth generation in the first quarter of 2020.

We are currently focused on three key goals as we develop additional and next generation venous products for commercialization. First, we seek to continue to enhance the effectiveness, efficiency and ease of use of our current products. Second, we plan to expand the application of our thrombectomy technology to areas of the body that are not addressed by our existing products. Third, we are developing solutions beyond thrombectomy to address other unmet needs.

For the years ended December 31, 2018 and 2019, our research and development expenses were $4.0 million and $7.2 million, respectively.

Manufacturing and Supply

We currently manufacture and assemble our ClotTriever and FlowTriever products at our 38,200 square foot facility in Irvine, California. We also inspect, test, package and ship finished products from this facility. We have intentionally pursued a vertically integrated manufacturing strategy. We believe this offers important advantages, including rapid product iteration and control over our product quality. We believe our current manufacturing capacity is sufficient to meet our current expected demand for at least the next 12 months.

We are registered with the FDA as a medical device manufacturer and are licensed by the State of California to manufacture and distribute our medical devices. We are required to manufacture our products in compliance with the FDA's Quality System Regulation, or QSR. The FDA enforces the QSR through periodic inspections and may also inspect the facilities of our suppliers. We moved to our current Irvine, California facility in November 2019, which has been registered with the FDA and was approved by the State of California for the manufacture and distribution of medical devices in October 2019. The FDA conducted its most recent inspection in August 2016. This inspection was conducted at our prior facility, which was also located in Irvine, California. The FDA has not conducted an inspection at our new facility.

We have received International Standards Organization, or ISO, 13485:2016 certification for our quality management system. ISO certification generally includes recertification audits every third year, scheduled annual surveillance audits and periodic unannounced audits. We expect the next recertification audit to take place in 2021. The most recent surveillance audit was conducted on our new facility in November 2019 and no major non-conformities were identified. There have been no surveillance audits or unannounced audits on our new facility. To date, our surveillance and unannounced audits have not identified any major non-conformities.

We use a combination of internally manufactured and externally-sourced components to produce our ClotTriever and FlowTriever products. Externally-sourced components include off-the-shelf materials, sub-assemblies and custom parts that are provided by approved suppliers. Almost all of these components, including the nitinol coring element of the ClotTriever, are provided by single-source suppliers. While there are other suppliers that could make or provide any one of our externally-sourced components, we seek to manage single-source supplier risk by regularly assessing the quality and capacity of our suppliers, implementing supply and quality agreements where appropriate and actively managing lead times and inventory levels of sourced components. In addition, we are currently in the process of identifying and approving alternative suppliers to dual or multi-source certain of our components. We generally seek to maintain sufficient supply levels to help mitigate any supply interruptions and enable us to find and qualify another source of supply. For certain components, we estimate that it would take up to six months to find and qualify a second source. Order quantities and lead times for externally sourced components are based on our forecasts, which are derived from historical demand and anticipated future demand. Lead times for components may vary depending on the size of the order,

time required to fabricate and test the components, specific supplier requirements and current market demand for the materials, sub-assemblies and parts.

Our suppliers are evaluated, qualified and approved as part of our supplier quality program, which includes verification and monitoring procedures to ensure that our suppliers comply with FDA and ISO standards, as well as our own specifications and requirements. We inspect and verify externally sourced components under strict processes supported by internal policies and procedures. We maintain a rigorous change control policy to assure that no product or process changes are implemented without our prior review and approval.

Our finished products are ethylene oxide sterilized at a local, qualified supplier.

Competition

The medical device industry is highly competitive, subject to rapid change and significantly affected by the introduction of new products and technologies and other activities of industry participants. We compete with manufacturers of thrombolytic drugs, such as Roche, and with medical device companies that manufacture thrombectomy devices and systems used to treat vascular blockages. These systems include water jets, ultrasonic acoustic field generators, aspirators, catheters and others. Our primary medical device competitors are Boston Scientific Corporation, Penumbra, AngioDynamics, Teleflex, Shandong Weigao and smaller companies that have single products or a limited range of products. There is growing interest in treatment of VTE with catheter-based solutions, and there are a significant number of approved thrombectomy devices available. As this interest continues to grow, we anticipate that this competition will intensify.

Many of our competitors have longer, more established operating histories, and significantly greater name recognition and financial, technical, marketing, sales, distribution and other resources. In addition, certain competitors have several competitive advantages, including established treatment patterns pursuant to which drugs are generally first-line or concurrent therapies for the treatment of VTE and established relationships with hospitals and physicians who prescribe their drugs or are familiar with existing interventional procedures for the treatment of VTE.

We compete primarily on the basis that our solutions are designed specifically for the venous system and are able to treat patients with DVT and PE safely, effectively and without the need for thrombolytic drugs and their related costs and complications. Our overall competitive position is dependent upon a number of factors, including patient outcomes and adverse event rates, patient experience and treatment time, acceptance by hospitals, physicians and referral sources, ease-of-use and reliability, patient recovery time and level of discomfort, economic benefits and cost savings, availability of reimbursement and the strength of clinical data and supporting evidence. One of the major hurdles to adoption of our products will be overcoming established treatment patterns, which will require education of referral sources and physicians and supportive clinical data.

Intellectual Property

We actively seek to protect the intellectual property and proprietary technology that we believe is important to our business. We rely on a combination of trademark, copyright, patent, trade secret and other intellectual property laws, employment, confidentiality and invention assignment agreements, and protective contractual provisions with our employees, contractors, consultants, suppliers, partners and other third parties to protect our intellectual property rights.

As of December 31, 2019, we held 17 U.S. patents, which are expected to expire between November 2032 and April 2037, 14 pending U.S. patent applications, three issued foreign patents, 11 pending foreign patent applications and four pending Patent Cooperation Treaty applications, excluding our licensed and sublicensed patents. The term of individual patents depends on the legal term for patents in the countries in which they are

granted. In most countries, including the United States, the patent term is generally 20 years from the earliest claimed filing date of a nonprovisional patent application in the applicable country. Our patents include a number of claims related to our systems, future concepts for our products and methods for treating vascular occlusions and embolisms.

As of December 31, 2019, we also licensed one U.S. patent and sublicensed one U.S. patent related to braiding elements of our product designs, such as the tubular braiding of our clot collection bag. The licensed U.S. patent is expected to expire in October 2037 and is licensed pursuant to an amended and restated technology agreement, dated March 2, 2018, between Inceptus Medical, LLC, or Inceptus, and us. The license is a worldwide, exclusive, royalty-free license in the field of the treatment of embolism and thrombosis in human vasculature other than carotid arteries, coronary vasculature and cerebral vasculature. The sublicensed U.S. patent is expected to expire in March 2030 and is sublicensed pursuant to a sublicense agreement, dated August 1, 2019, between Inceptus and us. Pursuant to the sublicense agreement, Inceptus granted us a non-transferable, worldwide, exclusive sublicense to its licensed intellectual property related to the tubular braiding for the non-surgical removal of clots and treatment of embolism and thrombosis in human vasculature other than carotid arteries, coronary vasculature and cerebral vasculature. Inceptus licensed this intellectual property pursuant to an intellectual property license agreement, dated May 4, 2018, between Inceptus and Drexel University.

There is no active patent litigation involving any of our patents and we have not received any notices of any patent infringement.

As of December 31, 2019, we had eight registered trademarks and two pending trademark applications worldwide, including trademark registration for “Inari Medical” in the United States and trademark registrations for “FlowTriever” and “ClotTriever” in the United States and other countries.

Our pending patent and trademark applications may not result in issued patents or trademarks, and we cannot assure you that any current or subsequently issued patents or trademarks will protect our intellectual property rights, provide us with any competitive advantage or withstand or retain its original scope after a validity or enforceability challenge from a third party. While there is no active litigation involving any of our patents or other intellectual property rights and we have not received any notices of patent or other intellectual property infringement, we may be required to enforce or defend our intellectual property rights against third parties in the future. See “Risk Factors—Risks Related to Our Intellectual Property” for additional information regarding these and other risks related to our intellectual property portfolio and their potential effect on us.

Sublicense Agreement with Inceptus Medical, LLC

In August 2019, we entered into a sublicense agreement with Inceptus, pursuant to which Inceptus granted us a non-transferable, worldwide, exclusive sublicense to its licensed intellectual property rights related to the tubular braiding for the non-surgical removal of clots and treatment of embolism and thrombosis in human vasculature other than carotid arteries, coronary vasculature and cerebral vasculature; such rights were originally granted to Inceptus pursuant to an intellectual property license agreement with Drexel University, or Drexel License, under which Drexel retained certain rights to use, and to permit other non-commercial entities to use, the sublicensed intellectual property for educational and non-commercial research purposes. The sublicense is also subject to all applicable U.S. government rights, and we cannot be sure that some of our intellectual property will be free from government rights or regulations pursuant to the Bayh-Doyle Act. Furthermore, we are obligated to comply with, and to avoid acts or omissions that would reasonably be likely to cause a breach of, the Drexel License. Our sublicense from Inceptus may only be sublicensed with the prior written approval of Inceptus and Drexel University.

Pursuant to the sublicense agreement, we paid Inceptus reimbursement and milestone fees shortly after signing, and are obligated to pay an ongoing quarterly administration fee of $18,000, which amount will increase

to $29,250 per quarter following this offering. Additionally, we are obligated to pay Inceptus on a quarterly basis an ongoing royalty calculated as the greater of a low-single digit percentage of net sales of products utilizing the licensed intellectual property and $1,500. The sublicense agreement specifies that our obligations to pay the quarterly administration fee and low-single digit royalty will terminate, and the licensed rights under the Drexel License will become fully paid-up and royalty and payment free if, pursuant to the terms of the Drexel License, Drexel University fails to provide timely written consent to Inceptus to join Drexel University to any patent infringement action for which Drexel University is a legally indispensable party.

The sublicense agreement will continue until the expiration of the sublicensed patent, unless terminated earlier pursuant to the terms of the agreement. We may terminate the sublicense agreement at any time by providing prior written notice. Inceptus may terminate the sublicense agreement if we challenge the validity or enforceability of the sublicensed intellectual property, in the event of our uncured material breach, in the event of our bankruptcy or insolvency-related events, if we cease bona fide development and commercialization efforts for a specified period or if we are late in making our obligated payments under the agreement. The Drexel License includes similar term and termination provisions in respect of Inceptus and Drexel University.

Amended and Restated Technology Agreement with Inceptus Medical, LLC

In March 2018, we entered into an amended and restated technology agreement with Inceptus. Pursuant to this agreement, Inceptus granted us a worldwide, exclusive, royalty-free license to certain of its intellectual property related to the braiding and aspiration controller technologies underlying its patent for the treatment of embolism and thrombosis in human vasculature other than carotid arteries, coronary vasculature and cerebral vasculature, or the defined field. As consideration, we granted Inceptus a license to use our intellectual property on reciprocal terms for use outside the defined field. These cross-licenses are perpetual and irrevocable. Neither party owes any payments to each other. We have the right to assign or transfer the amended and restated technology agreement to an entity in connection with the sale of all or substantially all of our business.

Government Regulation

Our products and our operations are subject to extensive regulation by the U.S. Food and Drug Administration, or FDA, and other federal and state authorities in the United States, as well as comparable authorities in foreign jurisdictions. Our products are subject to regulation as medical devices in the United States under the Federal Food, Drug, and Cosmetic Act, or FDCA, as implemented and enforced by the FDA.

United States Regulation

The FDA regulates the development, design, non-clinical and clinical research, manufacturing, safety, efficacy, labeling, packaging, storage, installation, servicing, recordkeeping, premarket clearance or approval, adverse event reporting, advertising, promotion, marketing and distribution, and import and export of medical devices to ensure that medical devices distributed domestically are safe and effective for their intended uses and otherwise meet the requirements of the FDCA.

FDA Premarket Clearance and Approval Requirements

Unless an exemption applies, each medical device commercially distributed in the United States requires either FDA clearance of a 510(k) premarket notification, or approval of a premarket approval, or PMA, application. Under the FDCA, medical devices are classified into one of three classes—Class I, Class II or Class III—depending on the degree of risk associated with each medical device and the extent of manufacturer and regulatory control needed to ensure its safety and effectiveness. Class I includes devices with the lowest risk to the patient and are those for which safety and effectiveness can be assured by adherence to the FDA's General Controls for medical devices, which include compliance with the applicable portions of the Quality System Regulation, or QSR, facility registration and product listing, reporting of adverse medical events, and truthful and

non-misleading labeling, advertising, and promotional materials. Class II devices are subject to the FDA's General Controls, and special controls as deemed necessary by the FDA to ensure the safety and effectiveness of the device. These special controls can include performance standards, post-market surveillance, patient registries and FDA guidance documents.

While most Class I devices are exempt from the 510(k) premarket notification requirement, manufacturers of most Class II devices are required to submit to the FDA a premarket notification under Section 510(k) of the FDCA requesting permission to commercially distribute the device. The FDA's permission to commercially distribute a device subject to a 510(k) premarket notification is generally known as 510(k) clearance. Devices deemed by the FDA to pose the greatest risks, such as life sustaining, life supporting or some implantable devices, or devices that have a new intended use, or use advanced technology that is not substantially equivalent to that of a legally marketed device, are placed in Class III, requiring approval of a PMA. Some pre-amendment devices are unclassified, but are subject to FDA's premarket notification and clearance process in order to be commercially distributed. Our currently marketed products are Class II devices subject to 510(k) clearance.

510(k) Clearance Marketing Pathway

Our current products are subject to premarket notification and clearance under section 510(k) of the FDCA. To obtain 510(k) clearance, we must submit to the FDA a premarket notification submission demonstrating that the proposed device is "substantially equivalent" to a predicate device already on the market. A predicate device is a legally marketed device that is not subject to premarket approval, i.e., a device that was legally marketed prior to May 28, 1976 (pre-amendments device) and for which a PMA is not required, a device that has been reclassified from Class III to Class II or I, or a device that was found substantially equivalent through the 510(k) process. The FDA's 510(k) clearance process usually takes from three to 12 months, but often takes longer. The FDA may require additional information, including clinical data, to make a determination regarding substantial equivalence. In addition, FDA collects user fees for certain medical device submissions and annual fees and for medical device establishments. For fiscal year 2020, the standard user fee for a 510(k) premarket notification application is $11,594.

If the FDA agrees that the device is substantially equivalent to a predicate device currently on the market, it will grant 510(k) clearance to commercially market the device. If the FDA determines that the device is "not substantially equivalent" to a previously cleared device, the device is automatically designated as a Class III device. The device sponsor must then fulfill more rigorous PMA requirements, or can request a risk-based classification determination for the device in accordance with the "*de novo*" process, which is a route to market for novel medical devices that are low to moderate risk and are not substantially equivalent to a predicate device.

After a device receives 510(k) marketing clearance, any modification that could significantly affect its safety or effectiveness, or that would constitute a major change or modification in its intended use, will require a new 510(k) clearance or, depending on the modification, PMA approval or *de novo* reclassification. The FDA requires each manufacturer to determine whether the proposed change requires submission of a 510(k), *de novo* request or a PMA in the first instance, but the FDA can review any such decision and disagree with a manufacturer's determination. If the FDA disagrees with a manufacturer's determination, the FDA can require the manufacturer to cease marketing and/or request the recall of the modified device until 510(k) marketing clearance or until PMA approval is obtained or a *de novo* request is granted. Also, in these circumstances, the manufacturer may be subject to significant regulatory fines or penalties.

Over the last several years, the FDA has proposed reforms to its 510(k) clearance process, and such proposals could include increased requirements for clinical data and a longer review period, or could make it more difficult for manufacturers to utilize the 510(k) clearance process for their products. For example, in November 2018, FDA officials announced forthcoming steps that the FDA intends to take to modernize the

premarket notification pathway under Section 510(k) of the FDCA. Among other things, the FDA announced that it planned to develop proposals to drive manufacturers utilizing the 510(k) pathway toward the use of newer predicates. These proposals included plans to potentially sunset certain older devices that were used as predicates under the 510(k) clearance pathway, and to potentially publish a list of devices that have been cleared on the basis of demonstrated substantial equivalence to predicate devices that are more than 10 years old. In May 2019, the FDA solicited public feedback on these proposals. The FDA requested public feedback on whether it should consider certain actions that might require new authority, such as whether to sunset certain older devices that were used as predicates under the 510(k) clearance pathway. These proposals have not yet been finalized or adopted, and the FDA may work with Congress to implement such proposals through legislation.

More recently, in September 2019, the FDA finalized guidance describing an optional "safety and performance based" premarket review pathway for manufacturers of "certain, well-understood device types" to demonstrate substantial equivalence under the 510(k) clearance pathway by showing that such device meets objective safety and performance criteria established by the FDA, thereby obviating the need for manufacturers to compare the safety and performance of their medical devices to specific predicate devices in the clearance process. The FDA intends to develop and maintain a list device types appropriate for the "safety and performance based" pathway and will continue to develop product-specific guidance documents that identify the performance criteria for each such device type, as well as the testing methods recommended in the guidance documents, where feasible.

PMA Approval Pathway

Class III devices require PMA approval before they can be marketed, although some pre-amendment Class III devices for which FDA has not yet required a PMA are cleared through the 510(k) process. The PMA process is more demanding than the 510(k) premarket notification process. In a PMA, the manufacturer must demonstrate that the device is safe and effective, and the PMA must be supported by extensive data, including data from preclinical studies and human clinical trials. The PMA must also contain a full description of the device and its components, a full description of the methods, facilities, and controls used for manufacturing, and proposed labeling. Following receipt of a PMA, the FDA determines whether the application is sufficiently complete to permit a substantive review. If FDA accepts the application for review, it has 180 days under the FDCA to complete its review of a PMA, although in practice, the FDA's review often takes significantly longer, and can take up to several years. An advisory panel of experts from outside the FDA may be convened to review and evaluate the application and provide recommendations to the FDA as to the approvability of the device. The FDA may or may not accept the panel's recommendation. In addition, the FDA will generally conduct a pre-approval inspection of the applicant or its third-party manufacturers' or suppliers' manufacturing facility or facilities to ensure compliance with the QSR. PMA devices are also subject to the payment of user fees, which for fiscal year 2020 includes a standard application fee of $340,995 and an annual establishment registration fee of $5,236.

The FDA will approve the new device for commercial distribution if it determines that the data and information in the PMA constitute valid scientific evidence and that there is reasonable assurance that the device is safe and effective for its intended use(s). The FDA may approve a PMA with post-approval conditions intended to ensure the safety and effectiveness of the device, including, among other things, restrictions on labeling, promotion, sale and distribution, and collection of long-term follow-up data from patients in the clinical study that supported PMA approval or requirements to conduct additional clinical studies post-approval. The FDA may condition PMA approval on some form of post-market surveillance when deemed necessary to protect the public health or to provide additional safety and efficacy data for the device in a larger population or for a longer period of use. In such cases, the manufacturer might be required to follow certain patient groups for a number of years and to make periodic reports to the FDA on the clinical status of those patients. Failure to comply with the conditions of approval can result in material adverse enforcement action, including withdrawal of the approval.

Certain changes to an approved device, such as changes in manufacturing facilities, methods, or quality control procedures, or changes in the design performance specifications, which affect the safety or effectiveness of the device, require submission of a PMA supplement. PMA supplements often require submission of the same type of information as a PMA, except that the supplement is limited to information needed to support any changes from the device covered by the original PMA and may not require as extensive clinical data or the convening of an advisory panel. Certain other changes to an approved device require the submission of a new PMA, such as when the design change causes a different intended use, mode of operation, and technical basis of operation, or when the design change is so significant that a new generation of the device will be developed, and the data that were submitted with the original PMA are not applicable for the change in demonstrating a reasonable assurance of safety and effectiveness. None of our products are currently marketed pursuant to a PMA.

Clinical Trials

Clinical trials are almost always required to support a PMA and are sometimes required to support a 510(k) submission. All clinical investigations of devices to determine safety and effectiveness must be conducted in accordance with the FDA's IDE regulations which govern investigational device labeling, prohibit promotion of the investigational device, and specify an array of recordkeeping, reporting and monitoring responsibilities of study sponsors and study investigators. If the device presents a "significant risk," to human health, as defined by the FDA, the FDA requires the device sponsor to submit an IDE application to the FDA, which must become effective prior to commencing human clinical trials. If the device under evaluation does not present a significant risk to human health, then the device sponsor is not required to submit an IDE application to the FDA before initiating human clinical trials, but must still comply with abbreviated IDE requirements when conducting such trials. A significant risk device is one that presents a potential for serious risk to the health, safety or welfare of a patient and either is implanted, used in supporting or sustaining human life, substantially important in diagnosing, curing, mitigating or treating disease or otherwise preventing impairment of human health, or otherwise presents a potential for serious risk to a subject. An IDE application must be supported by appropriate data, such as animal and laboratory test results, showing that it is safe to test the device in humans and that the testing protocol is scientifically sound. The IDE will automatically become effective 30 days after receipt by the FDA unless the FDA notifies the company that the investigation may not begin. If the FDA determines that there are deficiencies or other concerns with an IDE for which it requires modification, the FDA may permit a clinical trial to proceed under a conditional approval.

Regardless of the degree of risk presented by the medical device, clinical studies must be approved by, and conducted under the oversight of, an Institutional Review Board, or IRB, for each clinical site. The IRB is responsible for the initial and continuing review of the IDE, and may pose additional requirements for the conduct of the study. If an IDE application is approved by the FDA and one or more IRBs, human clinical trials may begin at a specific number of investigational sites with a specific number of patients, as approved by the FDA. If the device presents a non-significant risk to the patient, a sponsor may begin the clinical trial after obtaining approval for the trial by one or more IRBs without separate approval from the FDA, but must still follow abbreviated IDE requirements, such as monitoring the investigation, ensuring that the investigators obtain informed consent, and labeling and record-keeping requirements. Acceptance of an IDE application for review does not guarantee that the FDA will allow the IDE to become effective and, if it does become effective, the FDA may or may not determine that the data derived from the trials support the safety and effectiveness of the device or warrant the continuation of clinical trials. An IDE supplement must be submitted to, and approved by, the FDA before a sponsor or investigator may make a change to the investigational plan that may affect its scientific soundness, study plan or the rights, safety or welfare of human subjects.

During a study, the sponsor is required to comply with the applicable FDA requirements, including, for example, trial monitoring, selecting clinical investigators and providing them with the investigational plan, ensuring IRB review, adverse event reporting, record keeping and prohibitions on the promotion of investigational devices or on making safety or effectiveness claims for them. The clinical investigators in the

clinical study are also subject to FDA's regulations and must obtain patient informed consent, rigorously follow the investigational plan and study protocol, control the disposition of the investigational device, and comply with all reporting and recordkeeping requirements. Additionally, after a trial begins, we, the FDA or the IRB could suspend or terminate a clinical trial at any time for various reasons, including a belief that the risks to study subjects outweigh the anticipated benefits.

Post-market Regulation

After a device is cleared or approved for marketing, numerous and pervasive regulatory requirements continue to apply. These include:

- establishment registration and device listing with the FDA;
- QSR requirements, which require manufacturers, including third-party manufacturers, to follow stringent design, testing, control, documentation and other quality assurance procedures during all aspects of the design and manufacturing process;
- labeling regulations and FDA prohibitions against the promotion of investigational products, or the promotion of "off-label" uses of cleared or approved products;
- requirements related to promotional activities;
- clearance or approval of product modifications to 510(k)-cleared devices that could significantly affect safety or effectiveness or that would constitute a major change in intended use of one of our cleared devices, or approval of certain modifications to PMA-approved devices;
- medical device reporting regulations, which require that a manufacturer report to the FDA if a device it markets may have caused or contributed to a death or serious injury, or has malfunctioned and the device or a similar device that it markets would be likely to cause or contribute to a death or serious injury, if the malfunction were to recur;
- correction, removal and recall reporting regulations, which require that manufacturers report to the FDA field corrections and product recalls or removals if undertaken to reduce a risk to health posed by the device or to remedy a violation of the FDCA that may present a risk to health;
- the FDA's recall authority, whereby the agency can order device manufacturers to recall from the market a product that is in violation of governing laws and regulations; and
- post-market surveillance activities and regulations, which apply when deemed by the FDA to be necessary to protect the public health or to provide additional safety and effectiveness data for the device.

Our manufacturing processes are required to comply with the applicable portions of the QSR, which cover the methods and the facilities and controls for the design, manufacture, testing, production, processes, controls, quality assurance, labeling, packaging, distribution, installation and servicing of finished devices intended for human use. The QSR also requires, among other things, maintenance of a device master file, device history file, and complaint files. As a manufacturer, we are subject to periodic scheduled or unscheduled inspections by the FDA. Our failure to maintain compliance with the QSR requirements could result in the shut-down of, or restrictions on, our manufacturing operations and the recall or seizure of our products, which would have a material adverse effect on our business. The discovery of previously unknown problems with any of our products, including unanticipated adverse events or adverse events of increasing severity or frequency, whether resulting from the use of the device within the scope of its clearance or off-label by a physician in the practice of medicine, could result in restrictions on the device, including the removal of the product from the market or voluntary or mandatory device recalls.

The FDA has broad regulatory compliance and enforcement powers. If the FDA determines that we failed to comply with applicable regulatory requirements, it can take a variety of compliance or enforcement actions, which may result in any of the following sanctions:

- warning letters, untitled letters, fines, injunctions, consent decrees and civil penalties;
- recalls, withdrawals, or administrative detention or seizure of our products;
- operating restrictions or partial suspension or total shutdown of production;
- refusing or delaying requests for 510(k) marketing clearance or PMA approvals of new products or modified products;
- withdrawing 510(k) clearances or PMA approvals that have already been granted;
- refusal to grant export approvals for our products; or
- criminal prosecution.

Regulation of Medical Devices in EEA

On April 5, 2017, the European Parliament passed the Medical Devices Regulation (Regulation 2017/745), which repeals and replaces the EU Medical Devices Directive. Unlike directives, which must be implemented into the national laws of the EEA member states, the regulations would be directly applicable, without the need for adoption of EEA member state laws implementing them, in all EEA member states and are intended to eliminate current differences in the regulation of medical devices among EEA member states. The Medical Devices Regulation, among other things, is intended to establish a uniform, transparent, predictable and sustainable regulatory framework across the EEA for medical devices and ensure a high level of safety and health while supporting innovation.

The Medical Devices Regulation will, however, only become effective three years after publication (in 2020). Once effective, the new regulations will among other things:

- Strengthen the rules on placing devices on the market and reinforce surveillance once they are available;
- Establish explicit provisions on manufacturers' responsibilities for the follow-up of the quality, performance and safety of devices placed on the market;
- Improve the traceability of medical devices throughout the supply chain to the end-user or patient through a unique identification number;
- Set up a central database to provide patients, healthcare professionals and the public with comprehensive information on products available in the European Union, or EU; and
- Strengthened rules for the assessment of certain high-risk devices, which may have to undergo an additional check by experts before they are placed on the market.

Healthcare Regulatory Laws

Within the United States, our products and our customers are subject to extensive regulation by a wide range of federal and state agencies that govern business practices in the medical device industry. These laws

include federal and state anti-kickback, fraud and abuse, false claims, transparency and anti-corruption statutes and regulations. Internationally, other governments also impose regulations in connection with their healthcare reimbursement programs and the delivery of healthcare items and services.

U.S. federal healthcare fraud and abuse laws generally apply to our activities because our products are covered under federal healthcare programs such as Medicare and Medicaid. The Anti-Kickback Statute is particularly relevant because of its broad applicability. Specifically, the Anti-Kickback Statute prohibits persons from knowingly and willfully soliciting, offering, receiving, or providing remuneration, directly or indirectly, in exchange for, or to induce, either the referral of an individual, or the furnishing, arranging for or recommending a good or service for which payment may be made in whole or part under federal healthcare programs, such as the Medicare and Medicaid programs. Almost any financial interaction with a healthcare provider, patient or customer will implicate the Anti-Kickback Statute. Statutory exceptions and regulatory safe harbors protect certain interactions if specific requirements are met. However, only those interactions that represent fair market value exchanges generally are protected by a safe harbor or exception. The government can exercise enforcement discretion in taking action against unprotected activities. Further, a person or entity does not need to have actual knowledge of the Anti-Kickback Statute or specific intent in order to violate it. In addition, the government may assert that a claim including items or services resulting from a violation of the federal Anti-Kickback Statute constitutes a false or fraudulent claim for purposes of the federal False Claims Act or federal civil money penalties statute. Penalties for Anti-Kickback Statute violations may include both criminal penalties such as imprisonment and civil sanctions such as fines, imprisonment and possible exclusion from Medicare, Medicaid, and other federal healthcare programs. Exclusion would mean that procedures using our products would no longer be eligible for reimbursement under federal healthcare programs.

Many states have adopted laws similar to the Anti-Kickback Statute. Some of these state prohibitions apply to referral of patients for healthcare items or services reimbursed by any payor, not only the Medicare and Medicaid programs. Insurance companies may also bring a private cause of action for treble damages against a manufacturer for a pattern of causing false claims to be filed under the federal Racketeer Influenced and Corrupt Organizations Act, or RICO.

Another development affecting the healthcare industry is the increased use of the federal Civil False Claims Act and, in particular, actions brought pursuant to the False Claims Act's "whistleblower" or "qui tam" provisions. The False Claims Act imposes liability on any person or entity that, among other things, knowingly presents, or causes to be presented, a false or fraudulent claim for payment by a federal healthcare program. The qui tam provisions of the False Claims Act allow a private individual to bring actions on behalf of the federal government alleging that the defendant has submitted a false claim to the federal government, and to share in any monetary recovery. In recent years, the number of suits brought against healthcare providers by private individuals has increased dramatically. In addition, various states have enacted false claim laws analogous to the Civil False Claims Act, although many of these state laws apply where a claim is submitted to any third-party payor and not merely a federal healthcare program.

The federal Health Insurance Portability and Accountability Act of 1996, as amended by the Health Information Technology for Economic and Clinical Health Act, or HIPAA, among other things, created two new federal crimes: healthcare fraud and false statements relating to healthcare matters. The HIPAA healthcare fraud statute prohibits, among other things, knowingly and willfully executing, or attempting to execute, a scheme to defraud any healthcare benefit program, including private payors. A violation of this statute is a felony and may result in fines, imprisonment and/or exclusion from government sponsored programs. The HIPAA false statements statute prohibits, among other things, knowingly and willfully falsifying, concealing or covering up a material fact or making any materially false, fictitious or fraudulent statement or representation in connection with the delivery of or payment for healthcare benefits, items or services. A violation of this statute is a felony and may result in fines and/or imprisonment.

Laws and regulations have also been enacted by the federal government and various states to regulate the sales and marketing practices of medical device and pharmaceutical manufacturers. The laws and regulations

generally limit financial interactions between manufacturers and healthcare providers; require pharmaceutical and medical device companies to comply with voluntary compliance standards issued by industry associations and the relevant compliance guidance promulgated by the U.S. federal government; and/or require disclosure to the government and/or public of financial interactions (so-called “sunshine laws”). Many of these laws and regulations contain ambiguous requirements or require administrative guidance for implementation. Manufacturers must adopt reasonable interpretations of requirements if there is ambiguity and those interpretations could be challenged. Given the lack of clarity in laws and their implementation, our activities could be subject to the penalty provisions of the pertinent federal and state laws and regulations.

Coverage and Reimbursement

Sales of our products depend, in part, on the extent to which the procedures using our products are covered by third-party payors, such as government healthcare programs, commercial insurance and managed healthcare organizations. Third-party payors are increasingly limiting coverage and reducing reimbursements for medical products and services. In addition, the U.S. government, state legislatures and foreign governments have continued implementing cost-containment programs, including price controls, restrictions on coverage and reimbursement. Third-party payors are increasingly challenging the price, examining the medical necessity and reviewing the cost-effectiveness of medical devices and medical services, in addition to questioning their safety and efficacy. Adoption of price controls and cost-containment measures, and adoption of more restrictive policies in jurisdictions with existing controls and measures, could further limit our net sales and results.

Moreover, the process for determining whether a third-party payor will provide coverage for a product or procedure may be separate from the process for establishing the reimbursement rate that such a payor will pay for the product or procedure. A payor’s decision to provide coverage for a product or procedure does not imply that an adequate reimbursement rate will be approved. Further, one payor’s determination to provide coverage for a product or procedure does not assure that other payors will also provide coverage for the product or procedure. Adequate third-party reimbursement may not be available to enable us to maintain price levels sufficient to ensure profitability.

Healthcare Reform

In the United States and certain foreign jurisdictions, there have been, and we expect there will continue to be, a number of legislative and regulatory changes to the healthcare system. In March 2010, the Patient Protection and Affordable Care Act, or ACA, was signed into law and substantially changed the way healthcare is financed by both governmental and private insurers in the United States. The ACA contains a number of provisions, including those governing enrollment in federal healthcare programs, reimbursement adjustments and fraud and abuse changes. Additionally, the ACA imposed, among other things, a new federal excise tax on the sale of certain medical devices (which was suspended until December 31, 2019 and, absent further legislative amendments, will be reinstated effective January 1, 2020), provided incentives to programs that increase the federal government’s comparative effectiveness research, and implemented payment system reforms including a national pilot program on payment bundling to encourage hospitals, physicians and other providers to improve the coordination, quality and efficiency of certain healthcare services through bundled payment models. Since its enactment, there have been judicial and Congressional challenges to certain aspects of the ACA, and we expect there will be additional challenges and amendments to the ACA in the future.

Other legislative changes have been proposed and adopted in the U.S. since the ACA was enacted, including aggregate reductions of Medicare payments to providers of 2% per fiscal year and reduced payments to several types of Medicare providers. Moreover, there has recently been heightened governmental scrutiny, including increasing legislative and enforcement interest, over the manner in which manufacturers set prices for their marketed products, which has resulted in several Congressional inquiries and proposed and enacted legislation designed, among other things, to bring more transparency to product pricing, review the relationship between pricing and manufacturer patient programs and reform government program reimbursement

methodologies for products. Individual states in the United States have also become increasingly active in implementing regulations designed to control product pricing, including price or patient reimbursement constraints, discounts, restrictions on certain product access and marketing cost disclosure and transparency measures and, in some cases, mechanisms to encourage importation from other countries. Furthermore, there has been increased interest by third party payors and governmental authorities in reference pricing systems and publication of discounts and list prices.

Data Privacy and Security

Medical device companies may be subject to U.S. federal and state health information privacy, security and data breach notification laws, which may govern the collection, use, disclosure and protection of health-related and other personal information. Entities that are found to be in violation of HIPAA as the result of a breach of unsecured PHI, a complaint about privacy practices or an audit by HHS, may be subject to significant civil, criminal and administrative fines and penalties and/or additional reporting and oversight obligations if required to enter into a resolution agreement and corrective action plan with HHS to settle allegations of HIPAA non-compliance.

In addition, certain state and foreign laws govern the privacy and security of health information in certain circumstances, some of which are more stringent than HIPAA and many of which differ from each other in significant ways and may not have the same effect, thus complicating compliance efforts. Failure to comply with these laws, where applicable, can result in the imposition of significant civil and/or criminal penalties and private litigation. For example, California recently enacted legislation, the California Consumer Privacy Act, or CCPA, which goes into effect January 1, 2020. The CCPA, among other things, creates new data privacy obligations for covered companies and provides new privacy rights to California residents, including the right to opt out of certain disclosures of their information. The CCPA also creates a private right of action with statutory damages for certain data breaches, thereby potentially increasing risks associated with a data breach. Although the law includes limited exceptions, including for “protected health information” maintained by a covered entity or business associate, it may regulate or impact our processing of personal information depending on the context. It remains unclear what, if any, modifications will be made to this legislation or how it will be interpreted. Additionally, the EU also has laws and regulations dealing with the collection, use and processing of personal data obtained from individuals in the EU, namely the EU General Data Protection Regulation, or GDPR. These regulations are often more restrictive than those in the United States and may restrict transfers of personal data to the United States unless certain requirements are met. The GDPR provides that EU member states may make their own further laws and regulations limiting the processing of genetic, biometric or health data, which could limit our ability to use and share personal data or could cause our costs to increase, and harm our business and financial condition. Failure to comply with these obligations could expose us to significant fines.

Facilities

Our corporate headquarters, which includes our manufacturing facility, is located in Irvine, California, where we occupy a facility totaling 38,200 square feet under a lease agreement that expires in September 2024. This facility contains dedicated research and development, training, education and manufacturing spaces. We believe this facility is sufficient to meet our current and anticipated needs in the near term and that suitable additional space is available as needed to accommodate expansion of our operations and manufacturing and distribution activities.

Employees

As of December 31, 2019, we had 199 employees. None of our employees is subject to a collective bargaining agreement or represented by a trade or labor union. We consider our relationship with our employees to be good.

Legal Proceedings

We are not subject to any material legal proceedings.

MANAGEMENT

Executive Officers and Directors

The following table sets forth information regarding our executive officers and directors as of the date of this prospectus.

Name	Age	Position(s)
Executive Officers		
William Hoffman	52	Chief Executive Officer, President and Director
Mitchell Hill	60	Chief Financial Officer
Andrew Hykes	47	Chief Commercial Officer
Thomas Tu, M.D.	47	Chief Medical Officer
Non-Employee Directors		
Donald Milder (3)	65	Chair of the Board
Robert Rosenbluth, Ph.D.	74	Director
Geoff Pardo (2)	48	Director
Jonathan Root, M.D. (1)(3)	60	Director
Kirk Nielsen (1)(3)	46	Director
Paul Lubock	64	Director
Cynthia Lucchese (1)(2)	59	Director
Catherine Szyman (2)	53	Director

(1) Member of the Nominating and Corporate Governance Committee.

(2) Member of the Audit Committee.

(3) Member of the Compensation Committee.

Executive Officers

William Hoffman has served as our Chief Executive Officer and President and as a member of our board of directors since February 2015. Mr. Hoffman previously served as Chief Executive Officer at Visualase, Inc., a private company focusing on MRI-guided lasers, from May 2008 until its acquisition by Medtronic PLC, or Medtronic, in July 2014. Prior to this, Mr. Hoffman was the Chief Operating Officer of Rubicor Medical, Inc., a private company focusing on minimally invasive breast biopsy and lumpectomy technology, from April 2006 to November 2007. From July 2003 to February 2006, Mr. Hoffman served as Director of Sales and then the Vice President of Sales at FoxHollow Technologies, Inc, a private company that makes medical devices used to treat peripheral artery disease. Mr. Hoffman currently serves on the board of directors of two private companies: Monteris Medical, Inc. and 4C Medical Group. Mr. Hoffman received a B.A. from Dickinson College.

We believe Mr. Hoffman's extensive management experience in the medical device industry, and his understanding of our business, operations and strategy qualify him to serve as our Chief Executive Officer and on our board of directors.

Mitchell Hill has served as our Chief Financial Officer since March 2019. From June 2018 to February 2019, Mr. Hill served as the Chief Executive Officer and as a member of the board of directors of Flow Lighting Technologies, Inc., a private company specializing in cloud-based software. From August 2017 to June 2018, Mr. Hill served as a member of the board of directors of LIVMOR, Inc., a private company focusing on digital health solutions for remote patient monitoring. From September 2015 to May 2018, Mr. Hill served as a member of the board of directors and audit committee of Ominto, Inc. From March 2013 to March 2015, Mr. Hill was the Executive Vice President and Chief Financial Officer of Alphaeon Corporation, a private company serving

healthcare providers in the self-pay medical field. Prior to 2015, Mr. Hill served as Chief Financial Officer at a number of companies, including Cameron Health, Inc., Visiogen Inc., Insight Health Services Holdings Corp., BMS Reimbursement Management, Buy.com, Inc. and Walt Disney Imagineering and Disney Development Co. Mr. Hill received his B.S. in Business Accounting from Brigham Young University and an M.B.A. from Harvard Business School.

Andrew Hykes has served as our Chief Commercial Officer since September 2017. From November 2012 to January 2017, Mr. Hykes was the Vice President of Commercial Operations of Sequent Medical Inc., a private company focused on catheter-based neurovascular therapies that was acquired by Terumo Corporation in July 2016. Prior to this, Mr. Hykes worked for Medtronic PLC, a public medical device company, from August 2002 to October 2012, where he held several positions including: Vice President of Marketing, Vice President of Clinical and Regulatory Affairs and Director of Investor Relations. From 1995 to 2000, Mr. Hykes worked in healthcare banking for ABN AMRO Bank. Mr. Hykes received his B.B.A. from the University of Wisconsin Madison and an M.B.A. from Harvard Business School.

Thomas Tu, M.D. has served as our Chief Medical Officer since July 2019. From June 2003 to June 2019, Dr. Tu was in clinical practice at Baptist Health Hospital in Louisville, Kentucky, where he also served as director of the cardiac catheterization laboratory. Since December 2010, Dr. Tu has served as the Chief Executive Officer and President of World Health Initiative, a non-profit organization that provides medical care and educational programs to hospitals in Vietnam and China. Dr. Tu is a fellow of the Society for Cardiovascular Angiography & Interventions and previously served as the chairs of the society's political action committee and Emerging Leader Mentorship program. Dr. Tu completed his training in internal medicine, cardiology, interventional cardiology, peripheral interventions at Massachusetts General Hospital and Beth Israel Deaconess Medical Center in Boston, Massachusetts. Dr. Tu is board-certified in internal medicine, cardiovascular disease, and interventional cardiology. Dr. Tu received his B.A. from the University of Virginia and his M.D. from Harvard Medical School.

Non-Employee Directors

Donald Milder has served as a member of our board of directors since September 2011 and as its Chair since December 2019. In 1999, Mr. Milder co-founded Versant Venture Management, LLC, or Versant, where he has been a Managing Director since its inception. Versant is a venture capital firm that invests in medical devices, biotechnology, life science, pharmaceuticals and healthcare sectors. Previously, Mr. Milder was a Managing Director with CPVP Management LP from August 1989 to November 1999, where he was responsible for their healthcare investments. Prior to this, Mr. Milder was the Chief Executive Officer of Infusion Systems Corporation from 1984 to 1989. He currently serves as a board member for Eclipse Regenesis, Inc., Okami, NeoSeq Ltd. and Ceres Foundation. Mr. Milder received a B.A. from Union College and an M.B.A. from Harvard Business School.

We believe Mr. Milder is qualified to serve as the Chair of the board of directors due to his extensive experience as a venture capital investor and member of the board of multiple medical device companies.

Robert Rosenbluth, Ph.D. has served as a member of our board of directors since September 2011, as Chair of the board of directors from September 2011 until December 2019 and as Chief Executive Officer and President from September 2011 until December 2014. Dr. Rosenbluth is a co-founder of our company. Prior to this, he was the co-founder and chairman of the board of directors of Sequent Medical Inc. from May 2007 until its acquisition by Terumo Medical Corporation in July 2016 and Chief Executive Officer and President from May 2007 until February 2010. Prior to this, Dr. Rosenbluth was the co-founder and chairman of the board of directors MicroVention from November 1997 until it was acquired by Terumo Medical Corporation in March 2006 and Chief Executive Officer and President from November 1997 until September 2002. Dr. Rosenbluth currently serves on the board of Inceptus Medical LLC, or Inceptus, a private medical device company incubator, and as chairman of the board of directors, Chief Executive Officer and President of Okami Medical Inc., or Okami, a private company focused on developing medical devices designed to occlude peripheral vessels. Dr. Rosenbluth received his B.S. from Columbia University and M.S. and Ph.D. from University of California, Berkeley.

We believe Dr. Rosenbluth is qualified to serve on our board of directors due to his role as a co-founder of our company, his knowledge of the industry and his experience as the chair of the board of other medical device companies.

Geoff Pardo has served as a member of our board of directors since March 2018. Mr. Pardo has served as a partner at Gilde Healthcare since 2011. Previously, he was a partner at Spray Venture Partners from 2004 to 2011. He also served as President and Chief Executive Officer of Facet Solutions, a spinal implant company focused on treating lumbar spinal stenosis, from 2007 until the company was sold to Globus Medical in 2011. He has also worked at Cardinal Partners as an Associate leading their investing activity in the medical device sector from 2001 to 2004. He currently serves as a board member of Ablative Solutions, Inc., Vesper Medical, Inc., Vapotherm, Inc. and CVRx, Inc. Mr. Pardo received a B.A. from Brown University and an M.B.A. from The Wharton School of Business.

We believe Mr. Pardo's experience leading and managing a medical technology company, as well as his healthcare industry knowledge and his experience serving on the board of directors of other companies, qualified him to serve on our board of directors.

Jonathan Root, M.D. has served as a member of our board of directors since September 2011. Dr. Root has served as the Managing Member of Presidio Management Group X, LLC and several U.S. Venture Partners' funds, which are the general partners of various other venture capital funds, since 1995. Dr. Root previously served as a board member for OncoMed Pharmaceuticals, Inc., a public pharmaceutical company, from August 2004 until its merger with Mereo BioPharma Group plc in April 2019. Additionally, Dr. Root currently serves on the board of directors for several private companies in the healthcare industry. Dr. Root received an A.B. from Dartmouth College, an M.D. from University of Florida, College of Medicine and an M.B.A. from Columbia Business School.

We believe Dr. Root's medical, management and directorship experience in the healthcare industry qualified him to serve on our board of directors.

Kirk Nielsen has served as a member of our board of directors since September 2011. Mr. Nielsen has been a Managing Partner at Vensana Capital, a medtech-focused investment firm, since January 2019, and a Managing Director of Versant Ventures, a healthcare-focused venture capital firm, since January 2011. He currently serves as a board member for several private companies including: Metavention, Monteris Medical, Respicardia, and Veran Medical Technologies. Mr. Nielsen received an A.B. from Harvard College and an M.B.A. from Harvard Business School.

We believe Mr. Nielsen is qualified to serve on our board due to his extensive management experience serving on the board of several medical technology companies.

Paul Lubock first served as a member of our board of directors from September 2011 until March 2018 and then again in April 2019 to present. Mr. Lubock is a co-founder of our company. Mr. Lubock has been a Vice President of both Inceptus and Okami since July 2011 and June 2017, respectively, and he was a Vice President at our company from September 2013 until June 2017. Prior to these positions, Mr. Lubock was a co-founder, Senior Vice President and Chief Technology Officer of SenoRx, Inc., a public company which was acquired by C.R. Bard in 2010. Mr. Lubock holds over 170 issued U.S. patents. Since June 2016, Mr. Lubock has been a board member of Okami. Mr. Lubock received a B.A. from University of California, San Diego in Applied Mechanics and Engineering Science and a M.S. in Mechanical Engineering from University of California, Berkeley.

We believe Mr. Lubock is qualified to serve on our board of directors because of his role as a co-founder of our company and his extensive knowledge of our company and the medical device industry.

Cynthia Lucchese has served as a member of our board of directors since November 2019. Since November 2015, Ms. Lucchese has been the Chief Administrative Officer and Chief Financial Officer of Hulman & Company, a motorsports competition and entertainment company. Prior to this she was the Senior Vice President and Chief Financial Officer of Hillenbrand, Inc., a public company with multiple brands that serve a range of industries across the globe, from January 2008 until March 2014. Ms. Lucchese has experience with medical device and life sciences companies, including Guidant, Thoratec and Eli Lilly. Ms. Lucchese currently serves on the board of two public companies. Since July 2014, she has been a board member and serves as Chair of the Audit Committee and a member of the Nominating and Corporate Governance Committee of Intersect ENT, Inc., a publicly traded medical device company. Additionally, Ms. Lucchese has been a board member of Hanger, Inc., a public company that delivers orthotic and prosthetic products and patient care, since May 2015. Ms. Lucchese became a member of Hanger's Audit Committee in November 2017 and previously was a member of the Compensation Committee. Ms. Lucchese is also a board member and Audit Committee Chair for BVI International, Inc., a privately owned global ophthalmic device company. Ms. Lucchese has a B.S. in accounting and an M.B.A. from Indiana University, Kelley School of Business.

We believe Ms. Lucchese is qualified to serve on our board of directors because of her extensive experience as a board member of public companies and experience with the medical device industry.

Catherine Szyman has served as a member of our board of directors since November 2019. Since January 2015, Ms. Szyman has been the Corporate Vice President of Critical Care at Edwards Lifesciences Corp., a public company specializing in artificial heart valves and hemodynamic monitoring. Prior to this, Ms. Szyman worked at Medtronic from August 1991 to December 2014, where she held a number of roles, including President of Global Diabetes, Vice President of Corporate Strategy and Business Developments, Vice President and General Manager for the endovascular business and Vice President of Finance for the vascular business. Ms. Szyman currently serves on the board of director of Endotronix, Inc., a private medical device company, Opus College of Business at the University of St. Thomas and the American Heart Association, a non-profit organization that funds cardiovascular medical research. Ms. Szyman has a B.A. from University of St. Thomas and an M.B.A. from Harvard Business School.

We believe Ms. Szyman is qualified to serve on our board of directors because of her extensive leadership experience and knowledge of medical device companies.

Family Relationships

There are no family relationships among any of our directors or executive officers.

Board Composition

Our board of directors is currently composed of nine members with no vacancies. Pursuant to our third amended and restated certificate of incorporation as in effect prior to the completion of this offering and the second amended and restated voting agreement, William Hoffman, Robert Rosenbluth, Donald Milder, Geoff Pardo, Jonathan Root, Kirk Nielsen and Paul Lubock have been designated to serve as members of our board of directors. Pursuant to our second amended and restated voting agreement, the stockholders who are party to the agreement have agreed to vote their respective shares to elect (1) one director designated by Coöperatieve Gilde Healthcare IV U.A., currently Mr. Pardo, (2) one director designated by Milder Community Property Trust, dated 11/7/91, currently Mr. Milder, (3) one director designated by U.S. Venture Partners X, L.P. and USVP X Affiliates, L.P., currently Dr. Root, (4) one director designated by Versant Venture Capital IV, L.P. and Versant Side Fund IV, L.P., currently Mr. Nielsen, and (5) three directors designated by a majority of our common stock, currently Mr. Hoffman, Dr. Rosenbluth and Mr. Lubock. Following this offering, no stockholder will have any special rights regarding the election or designation of members of our board of directors. The provisions of our third amended and restated certificate of incorporation and the second amended and restated voting agreement will no longer be in effect upon the closing of this offering and there will be no other contractual obligations

regarding the election of our directors. Each of our current directors will continue to serve until the election and qualification of his or her successor, or his or her earlier death, resignation or removal.

In accordance with our amended and restated certificate of incorporation, which will be in effect upon the closing of this offering, our board of directors will be divided into three classes of directors. At each annual meeting of stockholders, a class of directors will be elected for a three-year term to succeed the class whose terms are then expiring, to serve from the time of election and qualification until the third annual meeting following their election or until their earlier death, resignation or removal. Upon the closing of this offering, our directors will be divided among the three classes as follows:

The Class I directors will be Mr. Milder, Mr. Pardo and Mr. Hoffman, and their terms will expire at our first annual meeting of stockholders following this offering.

The Class II directors will be Mr. Nielsen, Ms. Szyman and Mr. Lubock, and their terms will expire at our second annual meeting of stockholders following this offering.

The Class III directors will be Dr. Root, Ms. Lucchese and Dr. Rosenbluth, and their terms will expire at our third annual meeting of stockholders following this offering.

Our amended and restated certificate of incorporation will provide that the authorized number of directors may be changed only by resolution of our board of directors. Any additional directorships resulting from an increase in the number of directors will be distributed among the three classes so that, as nearly as possible, each class will consist of one-third of the directors. The division of our board of directors into three classes with staggered three-year terms may delay or prevent a change of our management or a change in control. See the section of this prospectus captioned “Description of Capital Stock—Anti-Takeover Provisions” for a discussion of these and other anti-takeover provisions found in our amended and restated certificate of incorporation and amended and restated bylaws, which will become effective immediately prior to the closing of this offering.

Director Independence

We have applied to have our common stock listed on the Nasdaq Global Market. Under the rules of Nasdaq, independent directors must comprise a majority of a listed company’s board of directors within a specified period of the completion of this offering. In addition, rules require that, subject to specified exceptions, each member of a listed company’s audit, compensation, and nominating and corporate governance committees be independent. Under these rules, a director will only qualify as an “independent director” if, in the opinion of that company’s board of directors, that person does not have a relationship that would interfere with the exercise of independent judgment in carrying out the responsibilities of a director.

Audit committee members must also satisfy the independence criteria set forth in Rule 10A-3 under the Exchange Act. In order to be considered independent for purposes of Rule 10A-3, a member of an audit committee of a listed company may not, other than in his or her capacity as a member of the audit committee, the board of directors, or any other board committee: (1) accept, directly or indirectly, any consulting, advisory, or other compensatory fee from the listed company or any of its subsidiaries; or (2) be an affiliated person of the listed company or any of its subsidiaries. We intend to satisfy the audit committee independence requirements of Rule 10A-3 as of the closing of this offering.

In connection with this offering, our board of directors has undertaken a review of the independence of each director and considered whether each director has a material relationship with us that could compromise his or her ability to exercise independent judgment in carrying out his or her responsibilities. As a result of this review, our board of directors determined that Mr. Milder, Mr. Pardo, Mr. Nielsen, Ms. Szyman, Dr. Root and Ms. Lucchese are “independent directors” as defined under the applicable rules and regulations of the SEC and the listing requirements and rules of Nasdaq, representing six of our nine directors. In making these determinations, our board

of directors reviewed and discussed information provided by the directors and us with regard to each director's business and personal activities and current and prior relationships as they may relate to us and our management, including the beneficial ownership of our capital stock by each non-employee director and any transactions involving them described in the section titled "Certain Relationships and Related Party Transactions."

Board Committees

Our board of directors has an audit committee, a compensation committee and a nominating and corporate governance committee, each of which has the composition and the responsibilities described below. In addition, from time to time, special committees may be established under the direction of our board of directors when necessary to address specific issues.

Each of the audit committee, the compensation committee and the nominating and corporate governance committee will operate under a written charter that will be approved by our board of directors in connection with this offering. A copy of each of the audit committee, compensation committee and nominating and corporate governance committee charters will be available on our corporate website. The reference to our website in this prospectus does not include or incorporate by reference the information on our website into this prospectus.

Audit Committee

Our audit committee oversees our corporate accounting and financial reporting process and assists our board of directors in its oversight of (i) the integrity of our financial statements, (ii) our risk assessment and risk management program, (iii) the performance of our independent auditor and (iv) the design and implementation of our internal audit function and internal controls. Our audit committee will be responsible for, among other things:

- appointing, compensating, retaining and overseeing the work of our independent auditor and any other registered public accounting firm engaged for the purpose of preparing or issuing an audit report or related work or performing other audit, review or attest services for us;
- discussing with our independent auditor any audit problems or difficulties and management's response;
- pre-approving all audit and non-audit services provided to us by our independent auditor (other than those provided pursuant to appropriate preapproval policies established by the audit committee or exempt from such requirement under the rules of the Securities and Exchange Commission);
- reviewing and discussing our annual and quarterly financial statements with management and our independent auditor; and
- establishing procedures for the receipt, retention and treatment of complaints received by us regarding accounting, internal accounting controls or auditing matters, and for the confidential and anonymous submission by our employees of concerns regarding questionable accounting or auditing matters.

Effective immediately prior to the effectiveness of the registration statement of which this prospectus forms a part, our audit committee will consist of Ms. Lucchese, Ms. Szyman and Mr. Pardo, with Ms. Lucchese serving as chair. Our board of directors has affirmatively determined that Ms. Lucchese and Ms. Szyman meet the requirements for independence under the current Nasdaq listing standards and Securities and Exchange Commission rules and regulations. Under applicable Nasdaq listing rules, we are permitted to phase in our compliance with the independent audit committee requirements on the same schedule as we are permitted to phase in our compliance with the independent audit committee requirements pursuant to Rule 10A-3 under the Exchange Act, which require: (1) one

independent member at the time of listing, (2) a majority of independent members within 90 days of listing and (3) all independent members within one year of listing. Within one year of our listing on Nasdaq Global Market, we intend all members of our audit committee to be independent under the Nasdaq listing rules and Rule 10A-3 under the Exchange Act. In addition, our board of directors has determined that Ms. Lucchese is an "audit committee financial expert" as defined in Item 407(d) of Regulation S-K promulgated under the Securities Act. Each member of our audit committee is financially literate.

Compensation Committee

Our compensation committee oversees our compensation policies, plans and benefits programs. Our compensation committee will be responsible for, among other things:

- reviewing and approving corporate goals and objectives with respect to the compensation of our Chief Executive Officer, evaluating our Chief Executive Officer's performance in light of these goals and objectives and setting compensation;
- reviewing and setting or making recommendations to our board of directors regarding the compensation of our other executive officers;
- reviewing and making recommendations to our board of directors regarding director compensation;
- reviewing and approving or making recommendations to our board of directors regarding our incentive compensation and equity-based plans and arrangements; and
- appointing and overseeing any compensation consultants.

Effective immediately prior to the effectiveness of the registration statement of which this prospectus forms a part, our compensation committee will consist of Mr. Milder, Dr. Root and Mr. Nielsen, with Dr. Root serving as chair. The composition of our compensation committee meets the requirements for independence under the current Nasdaq listing standards and Securities and Exchange Commission rules and regulations. Each member of this committee is a non-employee director, as defined in Section 16b-3 of the Exchange Act.

Nominating and Corporate Governance Committee

Our nominating and corporate governance committee oversees and assists our board of directors in reviewing and recommending nominees for election as directors. Our nominating and corporate governance committee will be responsible for, among other things:

- identifying individuals qualified to become members of our board of directors, consistent with criteria approved by our board of directors;
- recommending to our board of directors the nominees for election to our board of directors at annual meetings of our stockholders;
- overseeing the self-evaluations of our board of directors and management; and
- developing and recommending to our board of directors any proposed changes to our corporate governance guidelines and principles.

Effective immediately prior to the effectiveness of the registration statement of which this prospectus forms a part, our nominating and corporate governance committee will consist of Mr. Nielsen, Dr. Root and Ms. Lucchese, with Mr. Nielsen serving as chair. The composition of our nominating, governance, and corporate responsibility committee meets the requirements for independence under the current Nasdaq listing standards and Securities and Exchange Commission rules and regulations.

Role of the Board in Risk Oversight

Our board of directors has an active role, as a whole and also at the committee level, in overseeing the management of our risks. Our board of directors is responsible for general oversight of risks and regular review of information regarding our risks, including credit risks, liquidity risks and operational risks. The compensation committee is responsible for overseeing the management of risks relating to our executive compensation plans and arrangements. The audit committee is responsible for overseeing the management of risks relating to accounting matters and financial reporting. The nominating and corporate governance committee is responsible for overseeing the management of risks associated with the independence of our board of directors and potential conflicts of interest. Although each committee is responsible for evaluating certain risks and overseeing the management of such risks, the entire board of directors is regularly informed through discussions from committee members about such risks. Our board of directors believes its administration of its risk oversight function has not negatively affected our board of directors' leadership structure.

Code of Business Conduct and Ethics

We will adopt a written code of business conduct and ethics that applies to our directors, officers and employees, including our principal executive officer, principal financial officer, principal accounting officer or controller, or persons performing similar functions prior to the completion of this offering. Following this offering, a current copy of the code will be posted on the investor section of our website.

Compensation Committee Interlocks and Insider Participation

None of the members of our compensation committee is an officer or one of our employees. None of our executive officers currently serves, or in the past year has served, as a member of the board of directors or compensation committee (or other board committee performing equivalent functions or, in the absence of any such committee, the entire board of directors) of any entity that has one or more executive officers serving on our board of directors or compensation committee.

EXECUTIVE AND DIRECTOR COMPENSATION

Executive Compensation

This section discusses the material components of the executive compensation program for our executive officers who are named in the "2019 Summary Compensation Table" below. We are an "emerging growth company" within the meaning of the JOBS Act, and have elected to comply with the reduced compensation disclosure requirements available to emerging growth companies under the JOBS Act. In 2019, our "named executive officers" and their positions were as follows:

- William Hoffman, President and Chief Executive Officer;
- Mitchell Hill, Chief Financial Officer; and
- Andrew Hykes, Chief Commercial Officer.

This discussion may contain forward-looking statements that are based on our current plans, considerations, expectations and determinations regarding future compensation programs. Actual compensation programs that we adopt following the completion of this offering may differ materially from the currently planned programs summarized in this discussion.

2019 Summary Compensation Table

The following table sets forth information concerning the compensation of our named executive officers for the year ended December 31, 2019.

Name and Principal Position	Year	Salary ($)	Bonus ($)	Stock Awards ($)(1)	Option Awards ($)(1)	All Other Compensation ($)	Total ($)
William Hoffman President and Chief Executive Officer	2019	400,000	400,000	163,410	—	—	963,410
Mitchell Hill Chief Financial Officer	2019	224,848	165,000	21,314	226,413	3,428	641,003
Andrew Hykes Chief Commercial Officer	2019	315,763	256,800	73,179	7,868	—	653,610

(1) Amounts reflect the full grant-date fair value of stock awards and stock options granted during 2019 computed in accordance with ASC Topic 718, rather than the amounts paid to or realized by the named individual. We provide information regarding the assumptions used to calculate the value of all stock awards and option awards made to named executive officers in Note 13 to our financial statements included in this prospectus.

Narrative to Summary Compensation Table

2019 Salaries

The named executive officers receive their respective base salaries to compensate them for services rendered to our company. The base salary payable to each named executive officer is intended to provide a fixed component of compensation reflecting the executive's skill set, experience, role and responsibilities.

The 2019 base salaries for Messrs. Hoffman and Hill were $400,000 and $275,000, respectively. Mr. Hykes' 2019 base salary was $300,000, which was increased to $321,000, effective April 1, 2019, to reflect significant contributions to the development of the Company. In connection with the initial public offering, the base salaries for Messrs. Hoffman, Hill and Hykes will be increased to $536,000, $355,000 and $400,000, respectively, effective upon the closing of the offering.

2019 Bonuses

Our named executive officers were eligible to earn cash bonuses based on individual and corporate objectives during the year ended December 31, 2019, as determined by our board of directors in its sole discretion. For 2019, Messrs. Hoffman and Hill were eligible to receive an annual bonus of up to 50% and 30%, respectively, of their respective base salaries. For 2019, Mr. Hykes was eligible to receive an annual bonus of up to 30% of his base salary, which was increased to 40% of his base salary, effective April 1, 2019, to reflect significant contributions to the development of the Company. Based on a review of Company performance for 2019 and each named executive officer's individual performance and contributions to the Company's success, our board of directors approved bonuses above each named executive officer's respective 2019 target bonus opportunity. The 2019 bonuses for Messrs. Hoffman, Hill and Hykes were $400,000, $165,000 and $256,800, respectively.

In connection with the initial public offering, the target bonus opportunities for Messrs. Hoffman, Hill and Hykes will be increased to 75%, 50% and 50%, respectively, of the executive's base salary, effective upon the closing of the offering.

Equity Compensation

We historically have used stock options as the primary incentive for long-term compensation to our named executive officers because they are able to profit from stock options only if our stock price increases relative to the stock option's exercise price, which generally is set at the fair market value of our common stock as of the applicable grant date. Generally, stock options vest as to 25% of the total number of shares underlying the option on the one-year anniversary of the grant date or the vesting commencement date and subsequently in equal monthly installments over the ensuing thirty-six months, subject to the executive's continued service with us on each applicable vesting date. Additionally, beginning in 2019, we began granting to our named executive officers restricted stock units in addition to stock options. Generally, the restricted stock units vest upon the fourth (4th) anniversary of the vesting commencement date, provided that the Company has first undertaken an initial public offering, and subject to the executive's continued service with us on the applicable vesting date. Additionally, certain of the restricted stock units subject to each award will accelerate and vest upon a termination of the executive's service due to death or by the Company without cause (as defined in the 2011 Plan), in each case following the Company's initial public offering. The restricted stock units shall also vest in full upon a sale event (as defined in the applicable award agreement). In the event of a change in control, outstanding equity awards held by our named executive officers will be treated pursuant to the terms of the governing plan.

Our named executive officers currently hold restricted stock units and stock options. Specifically, in 2019, each of Messrs. Hoffman, Hill and Hykes were granted the restricted stock units, or RSUs, and stock options set forth below, with vesting schedules substantially similar to the general vesting terms described above.

The following table sets forth the equity awards granted to our named executive officers in the 2019 fiscal year.

Named Executive Officer	2019 Stock Options Granted	2019 RSUs Granted
William Hoffman	—	1,372,809
Mitchell Hill	596,873	179,062
Andrew Hykes	23,875	614,780

Equity Compensation Plans

2011 Equity Incentive Plan

We currently maintain the 2011 Equity Incentive Plan, as amended from time to time, or the 2011 Plan, in order to provide additional incentives for our employees, directors and consultants, and to provide incentives to attract, retain and motivate eligible persons whose present and potential contributions are important to our success.

For additional information about the 2011 Plan, please see the section titled "2011 Equity Incentive Plan" below. As mentioned below, in connection with the completion of this offering, no further awards will be granted under the 2011 Plan.

2020 Incentive Award Plan

In connection with this offering, we intend to adopt a 2020 Incentive Award Plan, or the 2020 Plan, in order to facilitate the grant of cash and equity incentives to directors, employees (including our named executive officers) and consultants of our company and certain of our subsidiaries and to enable our company and certain of our subsidiaries to obtain and retain services of these individuals, which is essential to our long-term success. Upon the effectiveness of the 2020 Plan, no further grants will be made under the 2011 Plan. However, the 2011 Plan will continue to govern the terms and conditions of the outstanding awards granted under it. For additional information about the 2020 Plan, please see the section titled "2020 Incentive Award Plan" below.

Other Elements of Compensation

401(k) Plan

We currently maintain a 401(k) retirement savings plan for our employees, including our named executive officers, who satisfy certain eligibility requirements. Our named executive officers are eligible to participate in the 401(k) plan on the same terms as other full-time employees. The Internal Revenue Code allows eligible employees to defer a portion of their compensation, within prescribed limits, on a pre-tax basis through contributions to the 401(k) plan. We believe that providing a vehicle for tax-deferred retirement savings though our 401(k) plan adds to the overall desirability of our executive compensation package and further incentivizes our employees, including our named executive officers, in accordance with our compensation policies. We do not make matching contributions under our 401(k) plan.

Employee Benefits and Perquisites

Health/Welfare Plans. All of our full-time employees, including our named executive officers, are eligible to participate in our health and welfare plans, including:

- medical, dental and vision benefits;
- medical and dependent care flexible spending accounts;
- short-term and long-term disability insurance; and
- life insurance.

We believe the perquisites described above are necessary and appropriate to provide a competitive compensation package to our named executive officers.

No Tax Gross-Ups

We do not make gross-up payments to cover our named executive officers' personal income taxes that may pertain to any of the compensation or perquisites paid or provided by our company.

Employment Agreements for Executive Officers

In connection with the initial public offering, we intend to enter into new employment agreements with each of our named executive officers, effective upon the closing of the offering. We are still in the process of determining the material terms of the agreements for Messrs. Hoffman, Hill and Hykes.

Outstanding Equity Awards at Fiscal Year-End

The following table summarizes the number of shares of common stock underlying outstanding equity incentive plan awards for each named executive officer as of December 31, 2019.

			Option Awards				Stock Awards	
Name	Grant Date	Vesting Commencement Date	Number of Securities Underlying Unexercised Options (#) Exercisable	Number of Securities Underlying Unexercised Options (#) Unexercisable	Option Exercise Price ($)	Option Expiration Date	Number of Shares or Units of Stock That Have Not Vested (#)	Market Value of Shares or Units of Stock That Have Not Vested ($)(1)
William Hoffman	02/09/2016	02/09/2016	—	—	—	—	1,942(2)	8,778
	02/09/2017	02/09/2017	—	—	—	—	41,002(3)	185,329
	12/22/2017	12/22/2017	26,307	26,308(2)	$ 0.22	12/22/2027	—	—
	05/03/2018	03/29/2018	199,118	256,010(3)	$ 0.30	05/03/2028	—	—
	12/13/2018	12/13/2018	134,297	402,889(3)	$ 0.30	12/13/2028	—	—
	03/12/2019	03/12/2019	—	—	—	—	1,372,809(4)	6,205,097
Mitchell Hill	04/23/2019	03/04/2019	—	596,873(2)	$ 0.32	04/23/2029	—	—
	03/12/2019	03/12/2019	—	—	—	—	179,062(4)	809,360
Andrew Hykes	09/26/2017	09/11/2017	—	—	—	—	120,500(3)	544,660
	09/26/2017	09/11/2017	—	—	—	—	67,782(3)	306,375
	05/03/2018	03/29/2018	138,133	177,600(3)	$ 0.30	05/03/2028	—	—
	03/12/2019	01/01/2019	5,471	18,404(5)	$ 0.32	03/12/2029	—	—
	03/12/2019	03/12/2019	—	—	—	—	614,780(4)	2,778,806

(1) The market value of shares of restricted stock and RSUs that have not vested is calculated by multiplying the fair market value of a share of our common stock on December 31, 2019 ($4.52) by the number of unvested shares of restricted stock or RSUs, as applicable, outstanding under the award.

(2) 25% of the shares underlying the award will vest on the first anniversary of the vesting commencement date, with the remaining shares vesting in equal monthly installments on the last day of each month for the following 36 months, subject to continued service on the applicable vesting date.

(3) 25% of the shares underlying the award will vest on the first anniversary of the vesting commencement date, with the remaining shares vesting in equal monthly installments for the following 36 months, subject to continued service on the applicable vesting date.

(4) 100% of the RSUs will vest upon the fourth anniversary of the vesting commencement date, provided that the Company has first undertaken an initial public offering, and subject to continued service on the applicable vesting date. Additionally, the RSUs subject to each award will accelerate and vest upon a termination of the executive's service due to death or by the Company without cause (as defined in the 2011 Plan), in each case following the Company's initial public offering. The RSUs shall also vest in full upon a sale event (as defined in the applicable award agreement).

(5) 1/48th of the shares underlying the award will vest on each monthly anniversary of the vesting commencement date, subject to continued service on the applicable vesting date.

Director Compensation

2019 Director Compensation Table

The following table sets forth information for the year ended December 31, 2019 regarding the compensation awarded to, earned by or paid to our non-employee directors who served on our board of directors during 2019. Mr. Hoffman, who served as our President and Chief Executive Officer during the year ended December 31, 2019, and continues to serve in that capacity, does not receive additional compensation for his service as a director, and therefore is not included in the Director Compensation table below. All compensation paid to Mr. Hoffman is reported above in the "2019 Summary Compensation Table."

Name	Fees Earned or Paid in Cash ($)	Option Awards ($) (1)	All Other Compensation ($) (2)	Total ($)
Brian Cox (3)	—	—	61,536	61,536
Paul Lubock (4)	—	—	30,768	30,768
Cynthia Lucchese (5)	—	163,247	—	163,247
Donald Milder	—	—	—	—
Kirk Nielsen	—	—	—	—
Geoff Pardo	—	—	—	—
Jonathan Root, M.D.	—	—	—	—
Robert Rosenbluth, Ph.D.	—	—	40,675	40,675
Catherine Szyman (5)	—	163,247	—	163,247

(1) Amounts reflect the full grant-date fair value of stock options granted during 2019 computed in accordance with ASC Topic 718, rather than the amounts paid to or realized by the named individual. We provide information regarding the assumptions used to calculate the value of all option awards made to our directors in Note 13 to our financial statements included in this prospectus. As of December 31, 2019, each of Mses. Lucchese and Szyman held outstanding option awards covering 71,000 shares of our common stock and Mr. Lubock held 49,585 shares of restricted stock. No other members of our board of directors held outstanding awards as of December 31, 2019.

(2) Amounts for Messrs. Rosenbluth, Lubock and Cox represent fees paid through an amended and restated services agreement with Inceptus, as described below in "Certain Relationships and Related Party Transactions—Transactions with Inceptus Medical, LLC."

(3) Mr. Cox resigned from our board of directors on April 12, 2019.

(4) Mr. Lubock was appointed to our board of directors on April 12, 2019.

(5) Msses. Lucchese and Szyman were appointed to our board of directors on November 25, 2019.

Director IPO Grants

We expect to grant a restricted stock unit award with a value of approximately $170,000 to each of Messrs. Milder, Nielsen and Pardo and Dr. Root in connection with this offering, effective immediately following the determination of the initial public offering price per share of our common stock.

The restricted stock units subject to each award will vest in substantially equal installments on each of the first, second and third anniversary of the grant date, subject to continued service through the applicable vesting date. In accordance with our Director Compensation Program, as defined and further described below, each such award will vest in full upon a change in control of our company (as defined in the 2020 Plan).

Post-IPO Director Compensation Program

In connection with this offering, we intend to adopt a non-employee director compensation program, or the Director Compensation Program, which provides for annual retainer fees and long-term equity awards for our non-employee directors, or an Eligible Director. The material terms of the Director Compensation Program are summarized below.

The Director Compensation Program consists of the following components:

Cash Compensation

- Annual Retainer: $40,000
- Annual Committee Chair Retainer:
    - Audit: $16,000
    - Compensation: $13,500
    - Nominating and Corporate Governance: $8,300
- Annual Committee Member (Non-Chair) Retainer:
    - Audit: $8,000
    - Compensation: $6,000
    - Nominating and Corporate Governance: $4,300
- Annual Chair of the Board Retainer: $35,000

Annual cash retainers will be paid in quarterly installments in arrears and will be pro-rated for any partial calendar quarter of service.

Equity Compensation

- *Initial Grant*: Each Eligible Director who is initially elected or appointed to serve on the Board after the effective date of this offering automatically shall be granted a restricted stock unit award with a value of approximately $170,000 on the date on which such Eligible Director is appointed or elected to serve on the Board, and shall vest in substantially equal installments on each of the first, second and third anniversary of the applicable grant date, subject to such Eligible Director's continued service through the applicable vesting date.
- *Annual Grant*: An Eligible Director who is serving on the Board as of the date of the annual meeting of the Company's stockholders each calendar year beginning with calendar year 2021 shall be granted, on such annual meeting date, a restricted stock unit award with a value of approximately $120,000, which shall vest in full on the earlier to occur of (i) the one-year anniversary of the applicable grant date and (ii) the date of the next annual meeting following the grant date, subject to continued service through the applicable vesting date.

In addition, each such award will vest in full upon a change in control of our company (as defined in the 2020 Plan).

Compensation under our Director Compensation Program will be subject to the annual limits on non-employee director compensation set forth in the 2020 Plan, as described below.

Equity Incentive Award Plans

The following summarizes the material terms of the 2011 Plan and the 2020 Plan. We have previously made periodic grants of equity and equity-based awards to our named executive officers and other key employees under the 2011 Plan and we intend to adopt the 2020 Plan in connection with this offering, to be effective upon the closing of this offering.

2011 Equity Incentive Plan

Our board of directors and our stockholders approved the 2011 Plan, which became effective on August 16, 2011.

A total of 15,738,552 shares of our common stock are reserved for issuance under the 2011 Plan. As of December 31, 2019, 716,950 shares remained available for future issuance under the 2011 Plan.

After the effective date of the 2020 Plan, no additional awards will be granted under the 2011 Plan. However, the 2011 Plan will continue to govern the terms and conditions of the outstanding awards granted under it.

Administration. Our board of directors administers the 2011 Plan, unless it delegates authority for administration of the plan. Subject to the terms and conditions of the 2011 Plan, the administrator has the authority to select the persons to whom awards are to be made, to determine the type or types of awards to be granted to each person, determine the number of awards to grant, determine the number of shares to be subject to such awards, and the terms and conditions of such awards, and make all other determinations and decisions and to take all other actions necessary or advisable for the administration of the 2011 Plan. The plan administrator is also authorized to establish, adopt, amend or revise rules relating to administration of the 2011 Plan, subject to certain restrictions.

Eligibility. Awards under the 2011 Plan may be granted to individuals who are then our employees or consultants, or employees or consultants of any parent or subsidiaries, and members of our board of directors. Only employees may be granted incentive stock options, or ISOs.

Awards. The 2011 Plan provides that the plan administrator may grant or issue ISOs, nonstatutory stock options, or NSOs, stock appreciation rights, or SARs, restricted stock, and restricted stock units, or RSUs, or any combination thereof. The administrator considers each award grant subjectively, considering factors such as the individual performance of the recipient and the anticipated contribution of the recipient to the attainment of our long-term goals. Each award is set forth in a separate agreement with the person receiving the award and indicates the type, terms and conditions of the award. A brief description of each award type follows.

- *Stock Options and SARs*. Stock options provide for the purchase of shares of our common stock in the future at an exercise price set on the grant date. ISOs, in contrast to NSOs, may provide tax deferral beyond exercise and favorable capital gains tax treatment to their holders if certain holding period and other requirements of the Code are satisfied. SARs entitle their holder, upon exercise, to receive from us an amount equal to the appreciation of the shares subject to the award between the grant date and the exercise date. The exercise price of a stock option or SAR may not be less than 100% of the fair market value of the underlying share on the grant date (or 110% in the case of ISOs granted to certain significant stockholders), except with respect to certain substitute awards granted in connection with a corporate transaction. The term of a stock option or SAR may not be longer than ten years (or five years in the case of ISOs granted to certain significant stockholders).

- *Restricted Stock*. Restricted stock is an award of nontransferable shares of our common stock that are subject to certain vesting conditions and other restrictions.

- *RSUs*. RSUs are contractual promises to deliver shares of our common stock in the future, which may also remain forfeitable unless and until specified conditions are met and may be accompanied by the right to receive the equivalent value of dividends paid on shares of common stock prior to the delivery of the underlying shares (i.e., dividend equivalent rights). The plan administrator may provide that the delivery of the shares underlying RSUs will be deferred on a mandatory basis or at the election of the participant. The terms and conditions applicable to RSUs will be determined by the plan administrator, subject to the conditions and limitations contained in the 2011 Plan.

Termination of Service. Upon a participant's termination of service, the participant may exercise his or her vested stock options within thirty days (or six months for terminations due to death or disability) of the termination date, or such longer period of time as is specified in the applicable award agreement (but in no event later than the expiration of the term of such stock option).

Corporate Transactions. In the event of a merger or change in control (as defined in the 2011 Plan), fifty percent of the then-unvested portion of any outstanding awards will become fully vested immediately preceding the closing of such transaction. In addition, in the event of a merger or change in control, to the extent that the surviving entity declines to continue, substitute or assume outstanding awards, then all such awards will become fully vested in connection with the transaction, and in the case of awards with performance-based vesting, all performance goals or other vesting criteria will be deemed achieved at 100% percent of target levels. Any awards that are outstanding as of the consummation of a merger or change in control will terminate automatically unless the acquirer assumes such awards or such awards are otherwise continued in effect pursuant to the terms of the transaction. In the event that such awards are continued, substituted or assumed and a participant is terminated without cause (as defined in the 2011 Plan) within twelve months following such merger or change in control, such participant's awards will become fully vested, and in the case of awards with performance-based vesting, all performance goals or other vesting criteria will be deemed achieved at 100% percent of target levels.

Adjustments. The number of shares and class of shares that may be delivered under the plan and/or the number, class, and price of shares covered by each outstanding award may be adjusted in the event of a recapitalization, stock split, reverse stock split, reorganization, merger, consolidation, split-up, spin-off, combination, repurchase, or exchange of shares or other securities of the company, or other change in the corporate structure of the Company affecting the shares.

Dissolution or Liquidation. In the event of the proposed dissolution or liquidation of the Company, the administrator will notify each participant as soon as practicable prior to the effective date of such proposed transaction. To the extent it has not been previously exercised, an award will terminate immediately prior to the consummation of such proposed action.

Amendment and Termination of the 2011 Plan. Our board of directors may at any time amend, alter, suspend or terminate the 2011 Plan. However, stockholder approval of any amendment to the 2011 Plan must be obtained to the extent necessary and desirable to comply with any applicable law, regulation or stock exchange rule. If not terminated earlier by the compensation committee or the board of directors, the 2011 Plan will continue in effect for a term of ten (10) years from the later of (a) the effective date of the 2011 Plan, or (b) the earlier of the most recent board or stockholder approval of an increase in the number of shares reserved for issuance of the 2011 Plan, which, as of December 31, 2019, is September 18, 2029.

2020 Incentive Award Plan

We intend to adopt the 2020 Incentive Award Plan, or the 2020 Plan, subject to approval by our stockholders, under which we may grant cash and equity incentive awards to eligible service providers in order to attract, motivate and retain the talent for which we compete. The material terms of the 2020 Plan, as it is currently contemplated, are summarized below. Our board of directors is still in the process of developing, approving and implementing the 2020 Plan and, accordingly, this summary is subject to change.

Eligibility and Administration. Our employees, consultants and directors, and employees, consultants and directors of our subsidiaries will be eligible to receive awards under the 2020 Plan. Following the completion of this offering, the 2020 Plan will be administered by our board of directors with respect to awards to non-employee directors and by our compensation committee with respect to other participants, each of which may delegate its duties and responsibilities to committees of our directors and/or officers (referred to collectively as the plan administrator below), subject to certain limitations that may be imposed under the 2020 Plan, Section 16 of the Exchange Act, and/or stock exchange rules, as applicable. The plan administrator will have the authority to make all determinations and interpretations under, prescribe all forms for use with, and adopt rules for the administration of, the 2020 Plan, subject to its express terms and conditions. The plan administrator will also set the terms and conditions of all awards under the 2020 Plan, including any vesting and vesting acceleration conditions.

Shares Available. An aggregate of shares of our common stock will be available for issuance under awards granted pursuant to the 2020 Plan, which shares may be authorized but unissued shares, treasury shares or shares purchased in the open market. Notwithstanding anything to the contrary in the 2020 Plan, no more than shares of our common stock may be issued pursuant to the exercise of incentive stock options, or ISOs, under the 2020 Plan.

The number of shares available for issuance pursuant to the 2020 Plan will be increased by an annual amount on the first day of each calendar year beginning January 1, 2021 and ending on and including January 1, 2030, equal to the lesser of (A) % of the aggregate number of shares of common stock outstanding on the final day of the immediately preceding calendar year and (B) such smaller number of shares as is determined by our board of directors.

If an award under the 2020 Plan expires, lapses or is terminated, exchanged for or settled for cash, surrendered, repurchased, cancelled without having been fully exercised or forfeited any shares subject to such award may, to the extent of such forfeiture, expiration or cash settlement, be used again for new grants under the 2020 Plan. Further, shares delivered to us to satisfy the applicable exercise or purchase price of an award under the 2020 Plan and/or to satisfy any applicable tax withholding obligations (including shares retained by us from the award under the 2020 Plan being exercised or purchased and/or creating the tax obligation) will become or again be available for award grants under the 2020 Plan. The payment of dividend equivalents in cash in conjunction with any awards under the 2020 Plan will not reduce the shares available for grant under the 2020 Plan. However, the following shares may not be used again for grant under the 2020 Plan: (i) shares subject to stock appreciation rights, or SARs, that are not issued in connection with the stock settlement of the SAR on exercise, and (ii) shares purchased on the open market with the cash proceeds from the exercise of options.

Awards granted under the 2020 Plan upon the assumption of, or in substitution for, awards authorized or outstanding under a qualifying equity plan maintained by an entity with which we enter into a merger or similar corporate transaction will not reduce the shares available for grant under the 2020 Plan but will count against the maximum number of shares that may be issued upon the exercise of ISOs.

The 2020 Plan provides that the sum of any cash compensation and the aggregate grant date fair value (determined as of the date of the grant under ASC Topic 718, or any successor thereto) of all awards granted to a non-employee director as compensation for services as a non-employee director during any calendar year may not exceed the amount equal to $, increased to $, in the fiscal year of a non-employee director's initial service as a non-employee director.

Awards. The 2020 Plan provides for the grant of stock options, including ISOs and NSOs, SARs, restricted stock, dividend equivalents, restricted stock units, or RSUs, and other stock or cash based awards. Certain awards under the 2020 Plan may constitute or provide for a deferral of compensation, subject to Section 409A of the Code, which may impose additional requirements on the terms and conditions of such awards. All awards under the 2020 Plan will be evidenced by award agreements, which will detail all terms and conditions of the awards, including any applicable vesting and payment terms and post-termination exercise limitations. Awards other than cash awards generally will be settled in shares of our common stock, but the plan administrator may provide for cash settlement of any award. A brief description of each award type follows.

- *Stock Options and SARs*. Stock options provide for the purchase of shares of our common stock in the future at an exercise price set on the grant date. ISOs, in contrast to NSOs, may provide tax deferral beyond exercise and favorable capital gains tax treatment to their holders if certain holding period and other requirements of the Code are satisfied. SARs entitle their holder, upon exercise, to receive from us an amount equal to the appreciation of the shares subject to the award between the grant date and the exercise date. The exercise price of a stock option or SAR may not be less than 100% of the fair market value of the underlying share on the grant date (or 110% in the case of ISOs granted to certain significant stockholders), except with respect to certain substitute awards

granted in connection with a corporate transaction. The term of a stock option or SAR may not be longer than ten years (or five years in the case of ISOs granted to certain significant stockholders).

- *Restricted Stock*. Restricted stock is an award of nontransferable shares of our common stock that are subject to certain vesting conditions and other restrictions.

- *RSUs*. RSUs are contractual promises to deliver shares of our common stock in the future, which may also remain forfeitable unless and until specified conditions are met and may be accompanied by the right to receive the equivalent value of dividends paid on shares of common stock prior to the delivery of the underlying shares (i.e., dividend equivalent rights). The plan administrator may provide that the delivery of the shares underlying RSUs will be deferred on a mandatory basis or at the election of the participant. The terms and conditions applicable to RSUs will be determined by the plan administrator, subject to the conditions and limitations contained in the 2020 Plan.

- *Other Stock or Cash Based Awards*. Other stock or cash based awards are awards of cash, fully vested shares of our common stock and other awards valued wholly or partially by referring to, or otherwise based on, shares of our common stock. Other stock or cash based awards may be granted to participants and may also be available as a payment form in the settlement of other awards, as standalone payments and as payment in lieu of compensation to which a participant is otherwise entitled.

- *Dividend Equivalents*. Dividend equivalents represent the right to receive the equivalent value of dividends paid on shares of our common stock and may be granted alone or in tandem with awards other than stock options or SARs. Dividend equivalents are credited as of the dividend record dates during the period between the date an award is granted and the date such award vests, is exercised, is distributed or expires, as determined by the plan administrator.

Certain Transactions. The plan administrator has broad discretion to take action under the 2020 Plan, as well as make adjustments to the terms and conditions of existing and future awards, to prevent the dilution or enlargement of intended benefits and facilitate necessary or desirable changes in the event of certain transactions and events affecting our common stock, such as stock dividends, stock splits, mergers, acquisitions, consolidations and other corporate transactions. In addition, in the event of certain non-reciprocal transactions with our stockholders known as “equity restructurings,” the plan administrator will make equitable adjustments to the 2020 Plan and outstanding awards. In the event of a change in control of our company (as defined in the 2020 Plan), to the extent that the surviving entity declines to continue, convert, assume or replace outstanding awards, then all such awards will become fully vested and exercisable in connection with the transaction. Awards under the 2020 Plan are generally non-transferrable, except by will or the laws of descent and distribution, or, subject to the plan administrator’s consent, pursuant to a domestic relations order, and are generally exercisable only by the participant.

Foreign Participants, Claw-Back Provisions, Transferability, and Participant Payments. The plan administrator may modify award terms, establish subplans and/or adjust other terms and conditions of awards, subject to the share limits described above, in order to facilitate grants of awards subject to the laws and/or stock exchange rules of countries outside of the United States. All awards will be subject to the provisions of any claw-back policy implemented by our company to the extent set forth in such claw-back policy and/or in the applicable award agreement. With regard to tax withholding, exercise price and purchase price obligations arising in connection with awards under the 2020 Plan, the plan administrator may, in its discretion, accept cash or check, shares of our common stock that meet specified conditions, a “market sell order” or such other consideration as it deems suitable.

Plan Amendment and Termination. Our board of directors may amend or terminate the 2020 Plan at any time; however, no amendment, other than an amendment that increases the number of shares available under the

2020 Plan, may materially and adversely affect an award outstanding under the 2020 Plan without the consent of the affected participant, and stockholder approval will be obtained for any amendment to the extent necessary to comply with applicable laws or to increase the director limit. The plan administrator will have the authority, without the approval of our stockholders, to "reprice" any stock option or SAR, or cancel any stock option or SAR in exchange for cash or another award when the option or SAR price per share exceeds the fair market value of the underlying shares. The 2020 Plan will remain in effect until the tenth anniversary of the date the board of directors adopt the 2020 Plan, unless earlier terminated.

2020 Employee Stock Purchase Plan

In connection with the offering, we intend to adopt the 2020 Employee Stock Purchase Plan, or the ESPP, which will become effective on the day the ESPP is adopted by our board of directors. The material terms of the ESPP, as it is currently contemplated, are summarized below. Our board of directors is still in the process of developing, approving and implementing the ESPP and, accordingly, this summary is subject to change.

Shares Available; Administration. We expect a total of shares of our common stock to be initially reserved for issuance under our ESPP. In addition, we expect that the number of shares available for issuance under the ESPP will be annually increased on January 1 of each calendar year beginning in 2021 and ending in 2030, by an amount equal to the lesser of: (i) % of the aggregate number of shares of common stock outstanding on the final day of the immediately preceding calendar year and (ii) such smaller number of shares as is determined by our board of directors. In no event will more than shares of our common stock be available for issuance under the ESPP.

Our board of directors or a committee designated by our board of directors will have authority to interpret the terms of the ESPP and determine eligibility of participants. We expect that the compensation committee will be the administrator of the ESPP.

Eligibility. The plan administrator may designate certain of our subsidiaries as participating "designated subsidiaries" in the ESPP and may change these designations from time to time. Employees of our company and our designated subsidiaries are eligible to participate in the ESPP if they meet the eligibility requirements under the ESPP established from time to time by the plan administrator. However, an employee may not be granted rights to purchase stock under the ESPP if such employee, immediately after the grant, would own (directly or through attribution) stock possessing 5% or more of the total combined voting power or value of all classes of our common or other class of stock.

If the grant of a purchase right under the ESPP to any eligible employee who is a citizen or resident of a foreign jurisdiction would be prohibited under the laws of such foreign jurisdiction or the grant of a purchase right to such employee in compliance with the laws of such foreign jurisdiction would cause the ESPP to violate the requirements of Section 423 of the Code, as determined by the plan administrator in its sole discretion, such employee will not be permitted to participate in the ESPP.

Eligible employees become participants in the ESPP by enrolling and authorizing payroll deductions by the deadline established by the plan administrator prior to the relevant offering date. Directors who are not employees, as well as consultants, are not eligible to participate. Employees who choose not to participate, or are not eligible to participate at the start of an offering period but who become eligible thereafter, may enroll in any subsequent offering period.

Participation in an Offering. We intend for the ESPP to qualify under Section 423 of the Code and stock will be offered under the ESPP during offering periods. The length of offering periods under the ESPP will be determined by the plan administrator and may be up to 27 months long. Employee payroll deductions will be used to purchase shares on each purchase date during an offering period. The number of purchase periods within, and purchase dates during, each offering period will be established by the plan administrator. Offering periods

under the ESPP will commence when determined by the plan administrator. The plan administrator may, in its discretion, modify the terms of future offering periods.

We expect that the ESPP will permit participants to purchase our common stock through payroll deductions of up to 20% of their eligible compensation, which will include a participant's gross base compensation for services to us, including overtime payments and excluding sales commissions, incentive compensation, bonuses, expense reimbursements, fringe benefits and other special payments. The plan administrator will establish a maximum number of shares that may be purchased by a participant during any offering period or purchase period, which, in the absence of a contrary designation, will be shares. In addition, no employee will be permitted to accrue the right to purchase stock under the ESPP at a rate in excess of $25,000 worth of shares during any calendar year during which such a purchase right is outstanding (based on the fair market value per share of our common stock as of the first day of the offering period).

On the first trading day of each offering period, each participant automatically will be granted an option to purchase shares of our common stock. The option will be exercised on the applicable purchase date(s) during the offering period, to the extent of the payroll deductions accumulated during the applicable purchase period. We expect that the purchase price of the shares, in the absence of a contrary determination by the plan administrator, will be 85% of the lower of the fair market value of our common stock on the first trading day of the offering period or on the applicable purchase date, which will be the final trading day of the applicable purchase period.

Participants may voluntarily end their participation in the ESPP at any time at least one week prior to the end of the applicable offering period (or such longer or shorter period specified by the plan administrator), and will be paid their accrued payroll deductions that have not yet been used to purchase shares of common stock. Participation ends automatically upon a participant's termination of employment.

Transferability. A participant may not transfer rights granted under the ESPP other than by will, the laws of descent and distribution or as otherwise provided in the ESPP.

Certain Transactions. In the event of certain transactions or events affecting our common stock, such as any stock dividend or other distribution, change in control, reorganization, merger, consolidation or other corporate transaction, the plan administrator will make equitable adjustments to the ESPP and outstanding rights. In addition, in the event of the foregoing transactions or events or certain significant transactions, including a change in control, the plan administrator may provide for (i) either the replacement of outstanding rights with other rights or property or termination of outstanding rights in exchange for cash, (ii) the assumption or substitution of outstanding rights by the successor or survivor corporation or parent or subsidiary thereof, (iii) the adjustment in the number and type of shares of stock subject to outstanding rights, (iv) the use of participants' accumulated payroll deductions to purchase stock on a new purchase date prior to the next scheduled purchase date and termination of any rights under ongoing offering periods or (v) the termination of all outstanding rights. Under the ESPP, a change in control has the same definition as given to such term in the 2020 Plan.

Plan Amendment; Termination. The plan administrator may amend, suspend or terminate the ESPP at any time. However, stockholder approval of any amendment to the ESPP must be obtained for any amendment which increases the aggregate number or changes the type of shares that may be sold pursuant to rights under the ESPP, changes the corporations or classes of corporations whose employees are eligible to participate in the ESPP, or changes the ESPP in any manner that would cause the ESPP to no longer be an employee stock purchase plan within the meaning of Section 423(b) of the Code. The ESPP will terminate on the tenth anniversary of the date it is initially approved by our board of directors.

CERTAIN RELATIONSHIPS AND RELATED PARTY TRANSACTIONS

In addition to the equity and other compensation, termination, change in control and other arrangements discussed in the section titled "Executive and Director Compensation," the following is a description of each transaction since January 1, 2017 and each currently proposed transaction which:

- we have been or are to be a participant;
- the amount involved exceeded or will exceed $120,000; and
- any of our directors, executive officers or, to our knowledge, beneficial owners of more than 5% of our capital stock or any member of the immediate family of any of the foregoing persons had or will have a direct or indirect material interest.

Series C Preferred Stock Financing

In March 2018, we completed the sale of an aggregate of 20,928,610 shares of our Series C convertible preferred stock at a purchase price of $1.2901 per share for an aggregate purchase price of approximately $27.0 million. Each share of our Series C convertible preferred stock will automatically convert into shares of our common stock immediately prior to the closing of this offering in accordance with our certificate of incorporation, including adjustments in connection with the 1-for- reverse stock split of our common stock effected on , 2020.

The following table summarizes the Series C convertible preferred stock purchased by holders of more than 5% of our capital stock, our executive officers, our board of directors and any entities affiliated with our executive officers or a member of our board of directors.

Participant (1)	Total Shares of Series C Convertible Preferred Stock Purchased	Aggregate Purchase Price (in thousands)
Coöperatieve Gilde Healthcare IV U.A. (2)	10,851,872	$ 14,000
Entities affiliated with U.S. Venture Partners (3)	3,357,542	4,331
Entities affiliated with Versant Venture Capital (4)	1,395,241	1,800
Donald Milder (5)	2,059,799	2,657
CVF, LLC	1,495,897	1,930
Robert Rosenbluth (6)	775,133	1,000
Paul Lubock (7)	116,270	150
William Hoffman	85,264	110
Andrew Hykes	19,378	25

(1) Additional details regarding these stockholders and their equity holdings are provided in this prospectus under the caption "Principal Stockholders."

(2) Geoff Pardo, a member of our board of directors, is a partner of Coöperatieve Gilde Healthcare IV U.A., an entity affiliated with Gilde Healthcare Partners.

(3) Consists of (i) 3,253,458 shares of Series C convertible preferred stock purchased by U.S. Venture Partners X, L.P. and (ii) 104,084 shares of Series C convertible preferred stock purchased by USVP X Affiliates, L.P. Jonathan Root, a member of our board of directors, is a managing member of Presidio Management Group X, L.L.C., which is the general partner of each of U.S. Venture Partners X, L.P. and USVP X Affiliates, L.P.

(4) Consists of (i) 1,386,506 shares of Series C convertible preferred stock purchased by Versant Venture Capital IV, L.P. and (ii) 8,735 shares of Series C convertible preferred stock purchased by Versant Side Fund IV, L.P. Kirk Nielsen, a member of our board of directors, is a managing member of Versant Ventures IV, LLC, which is the general partner of each of Versant Venture Capital IV, L.P. and Versant Side Fund IV, L.P.

(5) Consists of 2,059,799 shares of Series C convertible preferred stock purchased by Milder Community Property Trust DTD 11/7/91, amended and restated 11/20/98, amended 3/20/01 for the benefit of Donald B. Milder, or the Milder Community Property Trust. Donald Milder, a member of our board of directors, is a trustee of the Milder Community Property Trust.

(6) Consists of (i) 581,350 shares of Series C convertible preferred stock purchased by Robert Rosenbluth Trust Under the Robert Rosenbluth Family Trust and (ii) 193,783 shares of Series C convertible preferred stock purchased by Marital QTIP Trust Under the Robert Rosenbluth Family Trust. Robert Rosenbluth, a member of our board of directors, is a trustee of each of the Robert Rosenbluth Trust Under the Robert Rosenbluth Family Trust and the Marital QTIP Trust Under the Robert Rosenbluth Family Trust.

(7) Consists of 116,270 shares of Series C convertible preferred stock purchased by Paul Lubock Living Trust U/A DTD 02/04/2009. Paul Lubock, a member of our board of directors, is a trustee of the Paul Lubock Living Trust U/A DTD 02/04/2009.

Second Amended and Restated Investors' Rights Agreement

We are party to a second amended and restated investors' rights agreement with certain holders of our convertible preferred stock and common stock, entities affiliated with certain of our executive officers and directors, as well as certain of our executive officers and directors. The second amended and restated investors' rights agreement grants rights to certain holders, including certain registration rights with respect to the registrable securities held by them, and also imposes certain affirmative obligations on us, including with respect to the furnishing of financial statements and information to the holders. See "Description of Capital Stock—Registration Rights" for additional information.

As a result of this offering, most of the covenants and restrictions set forth in the second amended and restated investors' rights agreement that apply to us will terminate and we will remain obligated to comply with reporting requirements under the Exchange Act.

Second Amended and Restated Voting Agreement

We are party to a second amended and restated voting agreement with certain holders of our convertible preferred stock and common stock, entities affiliated with certain of our executive officers and directors, as well as certain of our executive officers and directors. Pursuant to the second amended and restated voting agreement, these holders have agreed to vote in a certain way on certain matters, including with respect to the election of directors. The parties to the second amended and restated voting agreement have agreed to vote their respective shares to elect (1) one director designated by Coöperatieve Gilde Healthcare IV U.A., (2) one director designated by Milder Community Property Trust DTD 11/7/91, amended and restated 11/20/98, amended 3/20/01 for the benefit of Donald B. Milder, (3) one director designated by U.S. Venture Partners X, L.P. and USVP X Affiliates, L.P., (4) one director designated by Versant Venture Capital IV, L.P. and Versant Side Fund IV, L.P., and (5) three directors designated by a majority of our common stock.

The second amended and restated voting agreement will terminate by its terms in connection with the completion of this offering and none of our stockholders will have any continuing voting rights, including special rights regarding the election or designation of members of our board of directors, following this offering.

Second Amended and Restated Right of First Refusal and Co-Sale Agreement

We are party to a second amended and restated first refusal and co-sale agreement with certain holders of our convertible preferred stock and common stock, entities affiliated with certain of our executive officers and directors, as well as certain of our executive officers and directors, pursuant to which we have a right of first refusal and holders of our common stock that are party to the second amended and restated first refusal and co-sale agreement have a right of first refusal and a co-sale right.

The second amended and restated first refusal and co-sale agreement will terminate in connection with the completion of this offering.

Transactions with Inceptus Medical, LLC

Robert Rosenbluth and Paul Lubock, each of which are current members of our board of directors and are stockholders, are principals and co-founders of Inceptus Medical, LLC, or Inceptus. In addition, Brian Cox, a former member of our board of directors and current stockholder, is a principal and co-founder of Inceptus.

In August 2019, we entered into a sublicense agreement with Inceptus, pursuant to which Inceptus granted us a sublicense to its licensed intellectual property rights related to tubular braiding technology; such rights were originally granted to Inceptus pursuant to an intellectual property license agreement with Drexel University, or Drexel License. See "Business—Intellectual Property—Sublicense Agreement with Inceptus Medical, LLC."

In March 2018, we entered into an amended and restated technology agreement with Inceptus, pursuant to which Inceptus granted us a license to certain of its intellectual property related to braiding and aspiration controller technologies. See "Business—Intellectual Property—Amended and Restated Technology Agreement with Inceptus Medical, LLC."

In March 2018, we also entered into an amendment to a license and assignment agreement, dated October 15, 2014, between us and Inceptus, pursuant to which the parties agreed to collaborate in the use and sharing of certain specified equipment.

In February 2018, we entered into an amended and restated services agreement with Inceptus, pursuant to which Inceptus agreed to conduct certain research and development services on our behalf. Any such services are to be set out and delivered pursuant to specified work plans and the terms of and conditions of the amended and restated services agreement. Pursuant to the amended and restated services agreement, we are obligated to pay amounts and fees to Inceptus set forth in any specified work plan, reimburse reasonable expenses of Inceptus incurred in connection with any specified work plan and pay all taxes, including interest and penalties, arising in connection with any specified work plan. The ownership and control of any intellectual property resulting from any specified work plan is determined in accordance with the amended and restated technology agreement. Inceptus has the right to terminate the amended and restated services agreement upon a change of control, upon our public offering, or upon written notice to us. Pursuant to an amended and restated work order under this amended and restated services agreement, Inceptus has agreed to provide a number of product development, manufacturing development, intellectual property preparation and prosecution, strategic planning, board participation and other services. Pursuant to this work order, from January 1, 2017 through December 31, 2019 we have paid Dr. Rosenbluth, Mr. Lubock and Mr. Cox a total of $213,541, $203,800 and $244,533, respectively, for their participation on our board.

In connection with the amended and restated services agreement with Inceptus, we paid Inceptus a non-interest-bearing retainer to be applied to future amounts owed under the agreement. As of December 31, 2018, the retainer was $275,553. In December 2019, Inceptus repaid the outstanding amount of the retainer in full.

Executive Loan

In March 2016 and April 2017, we loaned Mr. Hoffman, our Chief Executive Officer and President and a member of our board of directors, $95,229 and $173,419, respectively, in connection with his exercise of options to purchase shares of our common stock. These loans were evidenced by secured full-recourse promissory notes, which accrued interest at the rate of 2.00% per year and were secured by a first-priority security interest in the exercised shares. In November 2019, Mr. Hoffman repaid the March 2016 and April 2017 secured full-recourse promissory notes in full.

Other Commercial Relationships

We utilize a number of companies for certain recruiting services. One such recruiting services company, MRI The Hoffman Group, is owned by John Hoffman, the brother of Mr. Hoffman, our Chief Executive Officer and President and a member of our board of directors. MRI The Hoffman Group provides services to us pursuant to its standard terms and conditions and on arm's length terms. For the years ended December 31, 2018 and 2019, we paid $90,000 and $380,000, respectively, for recruiting services provided by MRI The Hoffman Group.

Director and Officer Indemnification and Insurance

We have entered into indemnification agreements with each of our directors and executive officers and have purchased directors' and officers' liability insurance. See "Description of Capital Stock—Limitations on Liability and Indemnification Matters."

Stock Option Grants to Executive Officers and Directors

We have granted options to our executive officers and certain of our directors as more fully described in the section entitled "Executive and Director Compensation."

Reserved Share Program

At our request, the underwriters have reserved for sale, at the initial public offering price, up to % of the shares offered by this prospectus for sale to some of our directors, officers, employees, distributors, dealers, business associates and related persons. See "Underwriting—Reserved Shares."

Policies and Procedures for Related Party Transactions

Our board of directors has adopted a written related person transaction policy, to be effective upon the effectiveness of the registration statement of which this prospectus forms a part, setting forth the policies and procedures for the review and approval or ratification of related person transactions. This policy will cover, with certain exceptions set forth in Item 404 of Regulation S-K under the Securities Act, any transaction, arrangement or relationship, or any series of similar transactions, arrangements or relationships, in which we were or are to be a participant, where the amount involved exceeds $120,000 in any fiscal year and a related person had, has or will have a direct or indirect material interest, including without limitation, purchases of goods or services by or from the related person or entities in which the related person has a material interest, indebtedness, guarantees of indebtedness and employment by us of a related person. In reviewing and approving any such transactions, our audit committee is tasked to consider all relevant facts and circumstances, including, but not limited to, whether the transaction is on terms comparable to those that could be obtained in an arm's length transaction and the extent of the related person's interest in the transaction. All of the transactions described in this section occurred prior to the adoption of this policy.

PRINCIPAL STOCKHOLDERS

The following table sets forth information with respect to the beneficial ownership of our common stock, as of December 31, 2019, and as adjusted to reflect our sale of common stock in this offering, by:

- each person or group of affiliated persons known by us to beneficially own more than 5% of our common stock;
- each of our named executive officers;
- each of our directors; and
- all of our executive officers and directors as a group.

The number of shares beneficially owned by each stockholder is determined under rules issued by the SEC. Under these rules, a person is deemed to be a “beneficial” owner of a security if that person has or shares voting power or investment power, which includes the power to dispose of or to direct the disposition of such security. Except as indicated in the footnotes below, we believe, based on the information furnished to us, that the individuals and entities named in the table below have sole voting and investment power with respect to all shares of common stock beneficially owned by them, subject to any applicable community property laws.

Percentage ownership of our common stock before this offering is based on 55,248,527 shares of our common stock outstanding as of December 31, 2019, after giving effect to the automatic conversion of 45,651,216 shares of our convertible preferred stock into shares of our common stock immediately prior to the closing of this offering. Percentage ownership of our common stock after this offering is based on shares of our common stock outstanding as of December 31, 2019, after giving effect to the automatic conversion of 45,651,216 shares of our convertible preferred stock and our issuance of shares of our common stock in this offering. In computing the number of shares beneficially owned by an individual or entity and the percentage ownership of that person, shares of common stock subject to options, warrants or other rights held by such person that are currently exercisable or that will become exercisable within 60 days of December 31, 2019 are considered outstanding, although these shares are not considered outstanding for purposes of computing the percentage ownership of any other person. The table below excludes any shares of our common stock that may be purchased in this offering pursuant to the reserved share program. See "Underwriting—Reserved Shares." Unless noted otherwise, the address of all listed stockholders is 9 Parker, Suite 100, Irvine, CA 92618.

		Percentage of Shares Beneficially Owned	
Name of Beneficial Owner	Total Shares Beneficially Owned	Before the Offering	After the Offering
5% Stockholders			
Entities affiliated with U.S. Venture Partners (1)	11,031,045	20.0%	
Coöperatieve Gilde Healthcare IV U.A. (2)	10,851,872	19.6%	
Entities affiliated with Versant Venture Capital (3)	8,204,642	14.9%	
Milder Community Property Trust (4)	7,188,004	13.0%	
CVF, LLC(5)	4,914,700	8.9%	
Named Executive Officers and Directors			
William Hoffman (6)	2,272,260	4.1%	
Mitchell Hill	—	*	
Andrew Hykes (7)	607,492	1.1%	
Robert Rosenbluth (8)	2,477,868	4.5%	
Jonathan Root (1)	11,031,045	20.0%	
Geoff Pardo (2)	10,851,872	19.6%	
Kirk Nielsen (3)	8,204,642	14.9%	
Donald Milder (4)	7,188,004	13.0%	
Paul Lubock (9)	1,998,900	3.6%	
Cynthia Lucchese	—	*	
Catherine Szyman	—	*	
All Executive Officers and Directors as a Group (12 individuals) (10)	44,666,900	80.8%	

* Less than 1%.

(1) Consists of (i) 10,689,083 shares of common stock held of record by U.S. Venture Partners X, L.P. and (ii) 341,962 shares of common stock held of record by USVP X Affiliates, L.P. Presidio Management Group X, L.L.C., or PMG X, is the general partner of each of U.S. Venture Partners X, L.P. and USVP X Affiliates, L.P., and has voting and dispositive power over the shares held by each of U.S. Venture Partners X, L.P. and USVP X Affiliates, L.P. Jonathan Root, a member of our board of directors, Irwin Federman, Steven Krausz, Richard Lewis, Paul Matteucci, and Casey M. Tansey are the managing members of PMG X and, as a result, may be deemed to share voting and dispositive power over the shares held by each of U.S. Venture Partners X, L.P. and USVP X Affiliates, L.P. Each of the managing members of PMG X disclaims beneficial ownership of such holdings. The mailing address for each of these entities is 1460 El Camino Real, Suite 100, Menlo Park, California 94025.

(2) Geoff Pardo, a member of our board of directors, is a partner of Coöperatieve Gilde Healthcare IV U.A. and, as a result, may be deemed to have shared voting and dispositive power over the shares held by Coöperatieve Gilde Healthcare IV U.A. The mailing address of Coöperatieve Gilde Healthcare IV U.A. Newtonlaan 91 – 3508 AB Utrecht, The Netherlands, c/o Gilde Healthcare Partners.

(3) Consists of (i) 8,153,280 shares of common stock held of record by Versant Venture Capital IV, L.P. and (ii) 51,362 shares of common stock held of record by Versant Side Fund IV, L.P. Versant Ventures IV, LLC, is the general partner of each of Versant Venture

Capital IV, L.P. and Versant Side Fund IV, L.P. Kirk Nielsen, a member of our board of directors, Thomas Woiwode, Bradley Bolzon, Robin Praeger, William Link, Samuel Colella, Rebecca Robertson, Brian Atwood, Ross Jaffe and Charles Warden are the managing members of Versant Ventures IV, LLC and, as a result, may be deemed to share voting and dispositive power over the shares held by each of Versant Venture Capital IV, L.P. and Versant Side Fund IV, L.P. The mailing address for each of these entities is One Sansome, Suite 3630, San Francisco, CA 94104.

(4) Consists of 7,188,004 shares of common stock held of record by Milder Community Property Trust DTD 11/7/91, amended and restated 11/20/98, amended 3/20/01 for the benefit of Donald B. Milder, or the Milder Community Property Trust. Donald Milder, a member of our board of directors, is a trustee and beneficiary of the Milder Community Property Trust.

(5) Richard H. Robb, manager of CVF, LLC, exercises voting and investment power with respect to the shares held by CVF, LLC. The address of CVF, LLC is 222 N. LaSalle Street, Suite 2000, Chicago, IL 60601.

(6) Includes 403,260 shares of common stock underlying options exercisable within 60 days of December 31, 2019.

(7) Includes 157,755 shares of common stock underlying options exercisable within 60 days of December 31, 2019.

(8) Consists of (i) 2,209,085 shares of common stock held of record by Robert Rosenbluth Family Trust, (ii) 193,783 shares of common stock held of record by Martial QTIP Trust under Robert Rosenbluth Family Trust and (iii) 75,000 shares of common stock held directly.

(9) Consists of (i) 1,517,638 shares of common stock held of record by Paul Lubock Living Trust U/A DTD 02/04/2009 and (ii) 481,262 shares of common stock held directly.

(10) Includes 561,015 shares of common stock underlying options exercisable within 60 days of December 31, 2019.

DESCRIPTION OF CAPITAL STOCK

The following description of our capital stock and certain provisions of our amended and restated certificate of incorporation and amended and restated bylaws are summaries and are qualified by reference to the amended and restated certificate of incorporation and the amended and restated bylaws that will be in effect upon the closing of this offering. Copies of these documents will be filed with the SEC as exhibits to our registration statement, of which this prospectus forms a part. The descriptions of our common stock and preferred stock reflect changes to our capital structure that will occur upon the closing of this offering.

General

Upon the closing of this offering, our authorized capital stock will consist of 310,000,000 shares, all with a par value of $0.001 per share, of which:

- 300,000,000 shares are designated as common stock; and
- 10,000,000 shares are designated as preferred stock.

Common Stock

As of December 31, 2019, after giving effect to the automatic conversion of all outstanding shares of our convertible preferred stock into 45,651,216 shares of our common stock immediately prior to the closing of this offering, we had outstanding 55,248,527 shares of common stock held by 69 stockholders of record.

Holders of our common stock are entitled to one vote for each share held on all matters submitted to a vote of stockholders and do not have cumulative voting rights. An election of directors by our stockholders shall be determined by a plurality of the votes cast by the stockholders entitled to vote on the election. Holders of common stock are entitled to receive proportionately any dividends as may be declared by our board of directors, subject to any preferential dividend rights of any series of preferred stock that we may designate and issue in the future.

In the event of our liquidation or dissolution, the holders of common stock are entitled to receive proportionately our net assets available for distribution to stockholders after the payment of all debts and other liabilities and subject to the prior rights of any outstanding preferred stock. Holders of common stock have no preemptive, subscription, redemption or conversion rights. Our outstanding shares of common stock are, and the shares offered by us in this offering will be, when issued and paid for, validly issued, fully paid and nonassessable. The rights, preferences and privileges of holders of common stock are subject to and may be adversely affected by the rights of the holders of shares of any series of preferred stock that we may designate and issue in the future.

Preferred Stock

As of December 31, 2019, there were 45,651,216 shares of our convertible preferred stock outstanding. Immediately prior to the closing of this offering, all outstanding shares of our convertible preferred stock will convert into 45,651,216 shares of our common stock.

Under the terms of our amended and restated certificate of incorporation that will become effective immediately prior to the closing of this offering, our board of directors is authorized to direct us to issue shares of preferred stock in one or more series without stockholder approval. Our board of directors has the discretion to determine the rights, preferences, privileges and restrictions, including voting rights, dividend rights, conversion rights, redemption privileges and liquidation preferences, of each series of preferred stock.

The purpose of authorizing our board of directors to issue preferred stock and determine its rights and preferences is to eliminate delays associated with a stockholder vote on specific issuances. The issuance of preferred stock, while providing flexibility in connection with possible acquisitions, future financings and other corporate purposes, could have the effect of making it more difficult for a third-party to acquire, or could discourage a third-party from seeking to acquire, a majority of our outstanding voting stock. Upon the closing of this offering, there will be no shares of preferred stock outstanding, and we have no present plans to issue any shares of preferred stock.

Common Stock Warrant

As of December 31, 2019, we had a warrant to purchase an aggregate of 39,713 shares of our common stock, with an exercise price of $0.10 per share. Unless exercised earlier, the warrant will expire in February 2025. The warrant contains provisions for the adjustment of the exercise price and the number of shares issuable upon the exercise of the warrant in the event of certain stock dividends, stock splits, reorganizations, reclassifications and consolidations. The warrant has a net exercise provision under which its holder may, in lieu of payment of the exercise price in cash, surrender the warrant and receive a net amount of shares based on the fair market value of the shares at the time of exercise of the warrant after deduction of the aggregate exercise price.

Preferred Stock Warrants

As of December 31, 2019, we had warrants to purchase an aggregate of 366,410 shares of our convertible preferred stock outstanding with a weighted average exercise price of $1.12 per share, including warrants to purchase an aggregate of 110,000 shares of our Series A convertible preferred stock and 256,410 shares of our Series B convertible preferred stock. Immediately prior to the closing of this offering, these warrants will convert into warrants to purchase 366,410 shares of our common stock with a weighted average exercise price of $1.12 per share. Unless exercised earlier, the warrant to purchase 110,000 shares will expire in December 2021 and the warrant to purchase 256,410 shares will expire in April 2026.

The warrants contain provisions for the adjustment of the exercise price and the number of shares issuable upon the exercise of the applicable warrant in the event of certain stock dividends, stock splits, reorganizations, reclassifications and consolidations. The warrants have a net exercise provision under which its holder may, in lieu of payment of the exercise price in cash, surrender the warrant and receive a net amount of shares based on the fair market value of the shares at the time of exercise of the warrant after deduction of the aggregate exercise price.

Options

As of December 31, 2019, 5,829,739 options were outstanding under our 2011 Equity Incentive Plan, of which 1,488,440 were vested as of that date.

RSUs

As of December 31, 2019, we had 4,094,552 shares of our common stock subject to RSUs under our 2011 Equity Incentive Plan. Our outstanding RSUs vest upon the satisfaction of a time-based condition and a service-based condition and the completion of an initial public offering or sale event. The time-based condition is satisfied on the fourth anniversary of the date of grant of the RSU, subject to continued service through the vesting date. This offering will satisfy the requirement for an initial public offering or sale event. On the vesting date of the RSUs, the recipient is entitled to receive one share of common stock for every RSU that vests.

Registration Rights

The second amended and restated investors' rights agreement grants the parties thereto certain registration rights in respect of the "registrable securities" held by them, which securities include (1) the shares of

our common stock issued upon the conversion of shares of our convertible preferred stock or (2) any common stock issued as a dividend or other distribution to or in exchange for or in replacement of the shares referenced in clause (1). The registration of shares of our common stock pursuant to the exercise of these registration rights would enable the holders thereof to sell such shares without restriction under the Securities Act when the applicable registration statement is declared effective. Under the second amended and restated investors' rights agreement, we will pay expenses relating to such registrations, including up to $35,000 of the reasonable fees of one special counsel for the participating holders, and the holders will pay all underwriting discounts and commissions relating to the sale of their shares. The second amended and restated investors' rights agreement also includes customary indemnification and procedural terms.

Holders of 53,047,866 of our outstanding shares of common and preferred stock, which represents approximately 96% of our outstanding shares, are entitled to registration rights pursuant to the second amended and restated investors' rights agreement. These registration rights will expire on the fifth anniversary of this offering.

Demand Registration Rights

The second amended and restated investors' rights agreement provides that, at any time beginning on the 180th day after the closing of this offering, holders of not less than two-thirds of the registrable securities then outstanding may, on not more than two occasions, request that we prepare, file and maintain a registration statement to register their registrable securities if the aggregate offering price to the public would exceed $10 million. Following such a request, we will as soon as practicable, but in any event no more than 90 days, use our best efforts to effect such registration. Once we are eligible to use a registration statement on Form S-3, the stockholders party to the second amended and restated investors' rights agreement may request that we prepare, file and maintain a registration statement on Form S-3 covering the sale of their registrable securities, but only if the anticipated offering price would exceed $1 million.

Piggyback Registration Rights

In the event that we propose to register any of our securities under the Securities Act, either for our own account or for the account of other security holders, the stockholders party to the second amended and restated investors' rights agreement will be entitled to certain "piggyback" registration rights allowing them to include their registrable securities in such registration, subject to certain marketing and other limitations. As a result, whenever we propose to file a registration statement under the Securities Act other than with respect to (1) a demand registration, (2) a registration relating solely to the employee benefits plans, (3) a registration relating to the offer and sale of debt securities, (4) a registration relating to a corporate reorganization transaction on Form S-4 or (5) a registration on any registration form that does not permit secondary sales, the stockholders party to the second amended and restated investors' rights agreement will be entitled to notice of the registration and will have the right to include their registrable securities in the registration subject to certain limitations.

Anti-Takeover Provisions

Amended and Restated Certificate of Incorporation and Amended and Restated Bylaws

Because our stockholders do not have cumulative voting rights, our stockholders holding a majority of the voting power of our shares of common stock outstanding will be able to elect all of our directors. Our amended and restated certificate of incorporation and amended and restated bylaws, which will be in effect upon the closing of this offering, will provide that all stockholder actions must be effected at a duly called meeting of stockholders and not by consent in writing. A special meeting of stockholders may be called only by a majority of our board of directors, the chair of our board of directors, or our chief executive officer.

Our amended and restated certificate of incorporation will further provide that, immediately after this offering, the affirmative vote of holders of at least sixty-six and two-thirds percent (66-2/3%) of the voting power

of all of the then outstanding shares of voting stock, voting as a single class, will be required to amend certain provisions of our certificate of incorporation, including provisions relating to the size of the board, removal of directors, special meetings, actions by written consent and cumulative voting. The affirmative vote of holders of at least sixty-six and two-thirds percent (66-2/3%) of the voting power of all of the then outstanding shares of voting stock, voting as a single class, will be required to amend or repeal our bylaws, although our bylaws may be amended by a simple majority vote of our board of directors.

Our amended and restated certificate of incorporation will further provide that our board of directors is divided into three classes, Class I, Class II and Class III, with each class serving staggered terms, and will give our board of directors the exclusive right to expand the size of our board of directors and to elect directors to fill a vacancy created by the expansion of the board of directors or the resignation, death or removal of a director.

Finally, our amended and restated certificate of incorporation will provide that, unless we consent in writing to the selection of an alternative forum, to the fullest extent permitted by law, the Court of Chancery of the State of Delaware will be the sole and exclusive forum for: (i) any derivative action or proceeding brought on behalf of us; (ii) any action asserting a claim of breach of a fiduciary duty owed by any of our directors, officers or other employees or agents to us or our stockholders; (iii) any action asserting a claim against us arising pursuant to any provision of the Delaware General Corporation Law or our amended and restated certificate of incorporation or amended and restated bylaws; or (iv) any action asserting a claim against us governed by the internal affairs doctrine; provided that, the exclusive forum provision will not apply to suits brought to enforce any liability or duty created by the Exchange Act or any other claim for which the federal courts have exclusive jurisdiction; and provided further that, if and only if the Court of Chancery of the State of Delaware dismisses any such action for lack of subject matter jurisdiction, such action may be brought in another state or federal court sitting in the State of Delaware. Our amended and restated certificate of incorporation will also provide that the federal district courts of the United States of America will be the exclusive forum for the resolution of any complaint asserting a cause of action against us or any of our directors, officers, employees or agents and arising under the Securities Act, subject to and contingent upon a final adjudication in the State of Delaware of the enforceability of such exclusive forum provision. Under the Securities Act, federal and state courts have concurrent jurisdiction over all suits brought to enforce any duty or liability created by the Securities Act, and investors cannot waive compliance with the federal securities laws and the rules and regulations thereunder. Accordingly, there is uncertainty as to whether a court would enforce such a forum selection provision as written in connection with claims arising under the Securities Act. The enforceability of similar choice of forum provisions in other companies' certificates of incorporation has been challenged in legal proceedings, and it is possible that, in connection with any action, a court could find the choice of forum provisions contained in our amended and restated certificate of incorporation to be inapplicable or unenforceable in such action.

The foregoing provisions will make it more difficult for our existing stockholders to replace our board of directors as well as for another party to obtain control of our company by replacing our board of directors. Since our board of directors has the power to retain and discharge our officers, these provisions could also make it more difficult for existing stockholders or another party to effect a change in management. In addition, the authorization of undesignated preferred stock makes it possible for our board of directors to issue preferred stock with voting or other rights or preferences that could impede the success of any attempt to change the control of our company.

These provisions are intended to enhance the likelihood of continued stability in the composition of our board of directors and its policies and to discourage certain types of transactions that may involve an actual or threatened acquisition of our company. These provisions are also designed to reduce our vulnerability to an unsolicited acquisition proposal and to discourage certain tactics that may be used in proxy rights. However, these provisions could have the effect of discouraging others from making tender offers for our shares and may have the effect of deterring hostile takeovers or delaying changes in control of our company or our management. As a consequence, these provisions also may inhibit fluctuations in the market price of our stock that could result from actual or rumored takeover attempts.

Section 203 of the Delaware General Corporation Law

We are subject to Section 203 of the DGCL, which prohibits a Delaware corporation from engaging in any business combination with any interested stockholder for a period of three years after the date that such stockholder became an interested stockholder, with the following exceptions:

- before such date, our board of directors approved either the business combination or the transaction that resulted in the stockholder becoming an interested stockholder;
- upon closing of the transaction that resulted in the stockholder becoming an interested stockholder, the interested stockholder owned at least 85% of the voting stock of the corporation outstanding at the time the transaction began, excluding for purposes of determining the voting stock outstanding (but not the outstanding voting stock owned by the interested stockholder) those shares owned by (1) persons who are directors and also officers and (2) employee stock plans in which employee participants do not have the right to determine confidentially whether shares held subject to the plan will be tendered in a tender or exchange offer; or
- on or after such date, the business combination is approved by our board of directors and authorized at an annual or special meeting of the stockholders, and not by written consent, by the affirmative vote of at least 66 2/3% of the outstanding voting stock that is not owned by the interested stockholder.

In general, Section 203 defines business combination to include the following:

- any merger or consolidation involving the corporation and the interested stockholder;
- any sale, transfer, pledge or other disposition of 10% or more of the assets of the corporation involving the interested stockholder;
- subject to certain exceptions, any transaction that results in the issuance or transfer by the corporation of any stock of the corporation to the interested stockholder;
- any transaction involving the corporation that has the effect of increasing the proportionate share of the stock or any class or series of the corporation beneficially owned by the interested stockholder; or
- the receipt by the interested stockholder of the benefit of any loss, advances, guarantees, pledges or other financial benefits by or through the corporation.

In general, Section 203 defines an “interested stockholder” as an entity or person who, together with the person’s affiliates and associates, beneficially owns, or within three years prior to the time of determination of interested stockholder status did own, 15% or more of the outstanding voting stock of the corporation.

Limitations on Liability and Indemnification Matters

Our amended and restated certificate of incorporation and amended and restated bylaws, which will become effective immediately prior to the closing of this offering, will provide that we will indemnify each of our directors and executive officers to the fullest extent permitted by the DGCL. We have entered into indemnification agreements with each of our directors and executive officers that may, in some cases, be broader than the specific indemnification provisions contained under Delaware law. Further, pursuant to our indemnification agreements and directors’ and officers’ liability insurance, our directors and executive officers are indemnified and insured against the cost of defense, settlement or payment of a judgment under certain

circumstances. In addition, as permitted by Delaware law, our amended and restated certificate of incorporation will include provisions that eliminate the personal liability of our directors for monetary damages resulting from breaches of certain fiduciary duties as a director. The effect of this provision is to restrict our rights and the rights of our stockholders in derivative suits to recover monetary damages against a director for breach of fiduciary duties as a director.

These provisions may be held not to be enforceable for violations of the federal securities laws of the United States.

Listing

We have applied to list our common stock on the Nasdaq Global Market under the symbol “NARI.”

Transfer Agent and Registrar

The transfer agent and registrar for our common stock is American Stock Transfer & Trust Company, LLC.

SHARES ELIGIBLE FOR FUTURE SALE

Immediately prior to this offering, there was no public market for our common stock, and no predictions can be made about the effect, if any, that market sales of our common stock or the availability of such shares for sale will have on the market price prevailing from time to time. Nevertheless, future sales of our common stock in the public market, or the perception that such sales may occur, could adversely affect the market price of our common stock and could impair our ability to raise capital through future sales of our securities. See "Risk Factors—Risks Related to this Offering—A significant portion of our total outstanding shares are restricted from immediate resale but may be sold into the market in the near future. This could cause the market price of our common stock to drop significantly, even if our business is doing well." Furthermore, although we have applied to have our common stock listed on the Nasdaq Global Market, we cannot assure you that there will be an active public trading market for our common stock.

Upon the closing of this offering, based on the number of shares of our common stock outstanding as of December 31, 2019 and after giving effect to the automatic conversion of all outstanding shares of our convertible preferred stock into shares of our common stock immediately prior to the closing of this offering, we will have an aggregate of shares of our common stock outstanding (or shares of our common stock if the underwriters exercise in full their option to purchase additional shares). Of these shares of our common stock, all of the shares sold in this offering (or shares if the underwriters exercise in full their option to purchase additional shares) will be freely tradable without restriction or further registration under the Securities Act, except for any shares purchased by our "affiliates," as that term is defined in Rule 144 under the Securities Act, whose sales would be subject to the Rule 144 resale restrictions described below, other than the holding period requirement.

The remaining shares of our common stock will be "restricted securities," as that term is defined in Rule 144 under the Securities Act. These restricted securities are eligible for public sale only if they are registered under the Securities Act or if they qualify for an exemption from registration under Rules 144 or 701 under the Securities Act, which are summarized below. We expect that substantially all of these shares will be subject to the 180-day lock-up period under the lock-up agreements described below. Upon expiration of the lock-up period, we estimate that approximately shares of our common stock will be available for sale in the public market, subject in some cases to applicable volume limitations under Rule 144.

Lock-Up Agreements

We and each of our directors and executive officers and holders of substantially all of our outstanding capital stock, who will collectively own shares of our common stock upon the closing of this offering (based on our shares outstanding as of December 31, 2019 and after giving effect to the automatic conversion of all outstanding shares of our convertible preferred stock into shares of our common stock immediately prior to the closing of this offering), have agreed, subject to certain exceptions, not to sell or transfer any common stock or securities convertible into, exchangeable for, exercisable for, or repayable with common stock, for 180 days after the date of this prospectus without first obtaining the written consent of BofA Securities, Inc. and Morgan Stanley & Co. LLC.

Upon the expiration of the lock-up period, substantially all of the shares subject to such lock-up restrictions will become eligible for sale, subject to the limitations discussed above. For a further description of these lock-up agreements, please see "Underwriting."

Rule 144

Affiliate Resales of Restricted Securities

In general, beginning 90 days after the effective date of the registration statement of which this prospectus is a part, a person who is an affiliate of ours, or who was an affiliate at any time during the 90 days

before a sale, who has beneficially owned shares of our common stock for at least six months would be entitled to sell in "broker's transactions" or certain "riskless principal transactions" or to market makers, a number of shares within any three-month period that does not exceed the greater of:

- 1% of the number of shares of our common stock then outstanding, which will equal approximately shares of our common stock immediately after this offering (or shares if the underwriters exercise their option to purchase additional shares in full); or
- the average weekly trading volume in shares of our common stock on the Nasdaq Global Market during the four calendar weeks preceding the filing of a notice on Form 144 with respect to such sale.

Affiliate resales under Rule 144 are also subject to the availability of current public information about us. In addition, if the number of shares being sold under Rule 144 by an affiliate during any three-month period exceeds 5,000 shares or has an aggregate sale price in excess of $50,000, the seller must file a notice on Form 144 with the Securities and Exchange Commission and Nasdaq concurrently with either the placing of a sale order with the broker or the execution directly with a market maker.

Non-Affiliate Resales of Restricted Securities

In general, beginning 90 days after the effective date of the registration statement of which this prospectus is a part, a person who is not an affiliate of ours at the time of sale, and has not been an affiliate at any time during the three months preceding a sale, and who has beneficially owned shares of our common stock for at least six months but less than a year, is entitled to sell such shares subject only to the availability of current public information about us. If such person has held our shares for at least one year, such person can resell under Rule 144(b)(1) without regard to any Rule 144 restrictions, including the 90-day public company requirement and the current public information requirement.

Non-affiliate resales are not subject to the manner of sale, volume limitation or notice filing provisions of Rule 144.

Rule 701

In general, under Rule 701, any of an issuer's employees, directors, officers, consultants or advisors who purchases shares from the issuer in connection with a compensatory stock or option plan or other written agreement before the effective date of a registration statement under the Securities Act is entitled to sell such shares 90 days after such effective date in reliance on Rule 144. An affiliate of the issuer can resell shares in reliance on Rule 144 without having to comply with the holding period requirement, and non-affiliates of the issuer can resell shares in reliance on Rule 144 without having to comply with the current public information and holding period requirements.

The Securities and Exchange Commission has indicated that Rule 701 will apply to typical options granted by an issuer before it becomes subject to the reporting requirements of the Exchange Act, along with the shares acquired upon exercise of such options, including exercises after an issuer becomes subject to the reporting requirements of the Exchange Act.

Equity Plans

We intend to file one or more registration statements on Form S-8 under the Securities Act to register all shares of our common stock subject to outstanding options under our 2011 Equity Incentive Plan and shares of our common stock issued or issuable under our 2020 Incentive Plan. We expect to file the registration statement covering shares offered pursuant to our 2020 Incentive Plan shortly after the date of this prospectus, permitting the resale of such shares by nonaffiliates in the public market without restriction under the Securities Act and the sale by affiliates in the public market, subject to compliance with the resale provisions of Rule 144.

Registration Rights

Upon the closing of this offering, the holders of shares of our common stock (including shares of our common stock issuable upon the conversion of all outstanding shares of our convertible preferred stock immediately prior to the closing of this offering) or their transferees will be entitled to various rights with respect to the registration of these shares under the Securities Act. Registration of these shares under the Securities Act would result in these shares becoming fully tradable without restriction under the Securities Act immediately upon the effectiveness of the registration, except for shares purchased by affiliates. See “Description of Capital Stock—Registration Rights” for additional information. Shares covered by a registration statement will be eligible for sale in the public market upon the expiration or release from the terms of the lock-up agreement.

MATERIAL U.S. FEDERAL INCOME TAX CONSEQUENCES TO NON-U.S. HOLDERS

The following discussion is a summary of the material U.S. federal income tax consequences to Non-U.S. Holders (as defined below) of the purchase, ownership and disposition of our common stock issued pursuant to this offering, but does not purport to be a complete analysis of all potential tax effects. The effects of other U.S. federal tax laws, such as estate and gift tax laws, and any applicable state, local or non-U.S. tax laws are not discussed. This discussion is based on the U.S. Internal Revenue Code of 1986, as amended, or the Code, Treasury Regulations promulgated thereunder, judicial decisions, and published rulings and administrative pronouncements of the U.S. Internal Revenue Service, or the IRS, in each case in effect as of the date hereof. These authorities may change or be subject to differing interpretations. Any such change or differing interpretation may be applied retroactively in a manner that could adversely affect a Non-U.S. Holder of our common stock. We have not sought and will not seek any rulings from the IRS regarding the matters discussed below. There can be no assurance the IRS or a court will not take a contrary position to that discussed below regarding the tax consequences of the purchase, ownership and disposition of our common stock.

This discussion is limited to Non-U.S. Holders that hold our common stock as a "capital asset" within the meaning of Section 1221 of the Code (generally, property held for investment). This discussion does not address all U.S. federal income tax consequences relevant to a Non-U.S. Holder's particular circumstances, including the impact of the alternative minimum tax or the Medicare contribution tax on net investment income. In addition, it does not address consequences relevant to Non-U.S. Holders subject to special rules, including, without limitation:

- U.S. expatriates and certain former citizens or long-term residents of the United States;
- persons holding our common stock as part of a hedge, straddle or other risk reduction strategy or as part of a conversion transaction or other integrated investment;
- banks, insurance companies, and other financial institutions;
- brokers, dealers or traders in securities;
- "controlled foreign corporations," "passive foreign investment companies," and corporations that accumulate earnings to avoid U.S. federal income tax;
- partnerships or other entities or arrangements treated as partnerships for U.S. federal income tax purposes (and investors therein);
- tax-exempt organizations or governmental organizations;
- persons deemed to sell our common stock under the constructive sale provisions of the Code;
- persons who hold or receive our common stock pursuant to the exercise of any employee stock option or otherwise as compensation;
- tax-qualified retirement plans; and
- "qualified foreign pension funds" as defined in Section 897(l)(2) of the Code and entities all of the interests of which are held by qualified foreign pension funds.

If an entity or arrangement treated as a partnership for U.S. federal income tax purposes holds our common stock, the tax treatment of a partner in the partnership will depend on the status of the partner, the activities of the partnership and certain determinations made at the partner level. Accordingly, partnerships holding our common stock and the partners in such partnerships should consult their tax advisors regarding the U.S. federal income tax consequences to them.

THIS DISCUSSION IS FOR INFORMATION PURPOSES ONLY AND IS NOT TAX OR LEGAL ADVICE. INVESTORS SHOULD CONSULT THEIR TAX ADVISORS WITH RESPECT TO THE APPLICATION OF THE U.S. FEDERAL INCOME TAX LAWS TO THEIR PARTICULAR SITUATIONS AS WELL AS ANY TAX CONSEQUENCES OF THE PURCHASE, OWNERSHIP AND DISPOSITION OF OUR COMMON STOCK ARISING UNDER THE U.S. FEDERAL ESTATE OR GIFT TAX LAWS OR UNDER THE LAWS OF ANY STATE, LOCAL OR NON-U.S. TAXING JURISDICTION OR UNDER ANY APPLICABLE INCOME TAX TREATY.

Definition of a Non-U.S. Holder

For purposes of this discussion, a "Non-U.S. Holder" is any beneficial owner of our common stock that is neither a "U.S. person" nor an entity or arrangement treated as a partnership for U.S. federal income tax purposes. A U.S. person is any person that, for U.S. federal income tax purposes, is or is treated as any of the following:

- an individual who is a citizen or resident of the United States;
- a corporation created or organized under the laws of the United States, any state thereof, or the District of Columbia;
- an estate, the income of which is subject to U.S. federal income tax regardless of its source; or
- a trust that (1) is subject to the primary supervision of a U.S. court and the control of one or more "United States persons" (within the meaning of Section 7701(a)(30) of the Code), or (2) has a valid election in effect to be treated as a United States person for U.S. federal income tax purposes.

Distributions

As described in the section entitled "Dividend Policy," we do not anticipate declaring or paying dividends to holders of our common stock in the foreseeable future. However, if we do make distributions of cash or property on our common stock, such distributions will constitute dividends for U.S. federal income tax purposes to the extent paid from our current or accumulated earnings and profits, as determined under U.S. federal income tax principles. Amounts not treated as dividends for U.S. federal income tax purposes will constitute a return of capital and first be applied against and reduce a Non-U.S. Holder's adjusted tax basis in its common stock, but not below zero. Any excess will be treated as capital gain and will be treated as described below under "—Sale or Other Taxable Disposition."

Subject to the discussion below on effectively connected income, dividends paid to a Non-U.S. Holder of our common stock will be subject to U.S. federal withholding tax at a rate of 30% of the gross amount of the dividends (or such lower rate specified by an applicable income tax treaty, provided the Non-U.S. Holder furnishes a valid IRS Form W-8BEN or W-8BEN-E (or other applicable documentation) certifying qualification for the lower treaty rate). If a Non-U.S. Holder holds the stock through a financial institution or other intermediary, the Non-U.S. Holder will be required to provide appropriate documentation to the intermediary, which then will be required to provide certification to the applicable withholding agent, either directly or through other intermediaries. A Non-U.S. Holder that does not timely furnish the required documentation, but that qualifies for a reduced treaty rate, may obtain a refund of any excess amounts withheld by timely filing an appropriate claim for refund with the IRS. Non-U.S. Holders should consult their tax advisors regarding their entitlement to benefits under any applicable income tax treaty.

If dividends paid to a Non-U.S. Holder are effectively connected with the Non-U.S. Holder's conduct of a trade or business within the United States (and, if required by an applicable income tax treaty, the Non-U.S. Holder maintains a permanent establishment in the United States to which such dividends are attributable), the

Non-U.S. Holder will be exempt from the U.S. federal withholding tax described above. To claim the exemption, the Non-U.S. Holder must furnish to the applicable withholding agent a valid IRS Form W-8ECI, certifying that the dividends are effectively connected with the Non-U.S. Holder's conduct of a trade or business within the United States.

Any such effectively connected dividends will be subject to U.S. federal income tax on a net income basis at the regular graduated rates. A Non-U.S. Holder that is a corporation also may be subject to a branch profits tax at a rate of 30% (or such lower rate specified by an applicable income tax treaty) on such effectively connected dividends, as adjusted for certain items. Non-U.S. Holders should consult their tax advisors regarding any applicable tax treaties that may provide for different rules.

Sale or Other Taxable Disposition

A Non-U.S. Holder will not be subject to U.S. federal income tax on any gain realized upon the sale or other taxable disposition of our common stock unless:

- effectively connected with the Non-U.S. Holder's conduct of a trade or business within the United States (and, if required by an applicable income tax treaty, the Non-U.S. Holder maintains a permanent establishment in the United States to which such gain is attributable);
- the Non-U.S. Holder is a nonresident alien individual present in the United States for 183 days or more during the taxable year of the disposition and certain other requirements are met; or
- our common stock constitutes a U.S. real property interest, or USRPI, by reason of our status as a U.S. real property holding corporation, or USRPHC, for U.S. federal income tax purposes.

Gain described in the first bullet point above generally will be subject to U.S. federal income tax on a net income basis at the regular graduated rates. A Non-U.S. Holder that is a corporation also may be subject to a branch profits tax at a rate of 30% (or such lower rate specified by an applicable income tax treaty) on such effectively connected gain, as adjusted for certain items.

Gain described in the second bullet point above will be subject to U.S. federal income tax at a rate of 30% (or such lower rate specified by an applicable income tax treaty), which may be offset by U.S. source capital losses of the Non-U.S. Holder (even though the individual is not considered a resident of the United States), provided the Non-U.S. Holder has timely filed U.S. federal income tax returns with respect to such losses.

With respect to the third bullet point above, we believe we currently are not, and do not anticipate becoming, a USRPHC. Because the determination of whether we are a USRPHC depends, however, on the fair market value of our USRPIs relative to the fair market value of our non-U.S. real property interests and our other business assets, there can be no assurance we currently are not a USRPHC or will not become one in the future. Even if we are or were to become a USRPHC, gain arising from the sale or other taxable disposition by a Non-U.S. Holder of our common stock will not be subject to U.S. federal income tax if our common stock is "regularly traded," as defined by applicable Treasury Regulations, on an established securities market, and such Non-U.S. Holder owned, actually and constructively, 5% or less of our common stock throughout the shorter of the five-year period ending on the date of the sale or other taxable disposition or the Non-U.S. Holder's holding period. Non-U.S. Holders are encouraged to consult their tax advisors regarding the possible consequences to them if we are, or were to become, a USRPHC.

Non-U.S. Holders should consult their tax advisors regarding potentially applicable income tax treaties that may provide for different rules.

Information Reporting and Backup Withholding

Payments of dividends on our common stock will not be subject to backup withholding, provided the applicable withholding agent does not have actual knowledge or reason to know the holder is a United States person and the holder either certifies its non-U.S. status, such as by furnishing a valid IRS Form W-8BEN, W-8BEN-E or W-8ECI, or otherwise establishes an exemption. However, information returns are required to be filed with the IRS in connection with any dividends on our common stock paid to the Non-U.S. Holder, regardless of whether any tax was actually withheld. In addition, proceeds of the sale or other taxable disposition of our common stock within the United States or conducted through certain U.S.-related brokers generally will not be subject to backup withholding or information reporting, if the applicable withholding agent receives the certification described above and does not have actual knowledge or reason to know that such holder is a United States person, or the holder otherwise establishes an exemption. Proceeds of a disposition of our common stock conducted through a non-U.S. office of a non-U.S. broker generally will not be subject to backup withholding or information reporting.

Copies of information returns that are filed with the IRS may also be made available under the provisions of an applicable treaty or agreement to the tax authorities of the country in which the Non-U.S. Holder resides or is established.

Backup withholding is not an additional tax. Any amounts withheld under the backup withholding rules may be allowed as a refund or a credit against a Non-U.S. Holder's U.S. federal income tax liability, provided the required information is timely furnished to the IRS.

Additional Withholding Tax on Payments Made to Foreign Accounts

Withholding taxes may be imposed under Sections 1471 to 1474 of the Code (such Sections commonly referred to as the Foreign Account Tax Compliance Act, or FATCA) on certain types of payments made to non-U.S. financial institutions and certain other non-U.S. entities. Specifically, a 30% withholding tax may be imposed on dividends on, or (subject to the proposed Treasury Regulations discussed below) gross proceeds from the sale or other disposition of, our common stock paid to a "foreign financial institution" or a "non-financial foreign entity" (each as defined in the Code), unless (1) the foreign financial institution undertakes certain diligence and reporting obligations, (2) the non-financial foreign entity either certifies it does not have any "substantial United States owners" (as defined in the Code) or furnishes identifying information regarding each substantial United States owner, or (3) the foreign financial institution or non-financial foreign entity otherwise qualifies for an exemption from these rules. If the payee is a foreign financial institution and is subject to the diligence and reporting requirements in (1) above, it must enter into an agreement with the U.S. Department of the Treasury requiring, among other things, that it undertake to identify accounts held by certain "specified United States persons" or "United States owned foreign entities" (each as defined in the Code), annually report certain information about such accounts, and withhold 30% on certain payments to non-compliant foreign financial institutions and certain other account holders. Foreign financial institutions located in jurisdictions that have an intergovernmental agreement with the United States governing FATCA may be subject to different rules.

Under the applicable Treasury Regulations and administrative guidance, withholding under FATCA generally applies to payments of dividends on our common stock. While withholding under FATCA would have applied also to payments of gross proceeds from the sale or other disposition of stock on or after January 1, 2019, recently proposed Treasury Regulations eliminate FATCA withholding on payments of gross proceeds entirely. Taxpayers generally may rely on these proposed Treasury Regulations until final Treasury Regulations are issued.

Prospective investors should consult their tax advisors regarding the potential application of withholding under FATCA to their investment in our common stock.

UNDERWRITING

BofA Securities, Inc. and Morgan Stanley & Co. LLC are acting as representatives of each of the underwriters named below. Subject to the terms and conditions set forth in an underwriting agreement among us and the underwriters, we have agreed to sell to the underwriters, and each of the underwriters has agreed, severally and not jointly, to purchase from us, the number of shares of common stock set forth opposite its name below.

Underwriter	Number of Shares
BofA Securities, Inc.	
Morgan Stanley & Co. LLC	
Canaccord Genuity LLC	
Wells Fargo Securities, LLC	
Total	

Subject to the terms and conditions set forth in the underwriting agreement, the underwriters have agreed, severally and not jointly, to purchase all of the shares sold under the underwriting agreement if any of these shares are purchased. If an underwriter defaults, the underwriting agreement provides that the purchase commitments of the nondefaulting underwriters may be increased or the underwriting agreement may be terminated.

We have agreed to indemnify the several underwriters against certain liabilities, including liabilities under the Securities Act, or to contribute to payments the underwriters may be required to make in respect of those liabilities.

The underwriters are offering the shares, subject to prior sale, when, as and if issued to and accepted by them, subject to approval of legal matters by their counsel, including the validity of the shares, and other conditions contained in the underwriting agreement, such as the receipt by the underwriters of officer's certificates and legal opinions. The underwriters reserve the right to withdraw, cancel or modify offers to the public and to reject orders in whole or in part.

Commissions and Discounts

The representatives have advised us that the underwriters propose initially to offer the shares to the public at the public offering price set forth on the cover page of this prospectus and to dealers at that price less a concession not in excess of $ per share. After the initial offering, the public offering price, concession or any other term of the offering may be changed.

The following table shows the public offering price, underwriting discounts and proceeds before expenses to us. The information assumes either no exercise or full exercise by the underwriters of their option to purchase additional shares.

	Per Share	Without Option	With Option
Public offering price	$	$	$
Underwriting discounts	$	$	$
Proceeds, before expenses, to us	$	$	$

The expenses of the offering, not including the underwriting discounts, are estimated at $ and are payable by us. We have also agreed to reimburse the underwriters for their expenses relating to clearance of this offering with the Financial Industry Regulatory Authority in an amount up to $37,500.

Option to Purchase Additional Shares

We have granted an option to the underwriters, exercisable for 30 days after the date of this prospectus, to purchase up to additional shares at the public offering price, less the underwriting discounts. If the underwriters exercise this option, each will be obligated, subject to conditions contained in the underwriting agreement, to purchase a number of additional shares proportionate to that underwriter's initial amount reflected in the above table.

Reserved Shares

At our request, the underwriters have reserved for sale, at the initial public offering price, up to % of the shares offered by this prospectus for sale to some of our directors, officers, employees, distributors, dealers, business associates and related persons. If these persons purchase reserved shares, this will reduce the number of shares available for sale to the general public. Any reserved shares that are not so purchased will be offered by the underwriters to the general public on the same terms as the other shares offered by this prospectus. We have agreed to reimburse the underwriters for certain fees and expenses in connection with this reserved share program, including the fees and disbursements of counsel to the underwriters, up to an amount not to exceed $.

No Sales of Similar Securities

We, our executive officers and directors and substantially all of our other existing security holders have agreed not to sell or transfer any common stock or securities convertible into, exchangeable for, exercisable for, or repayable with common stock, for 180 days after the date of this prospectus without first obtaining the written consent of BofA Securities, Inc. and Morgan Stanley & Co. LLC. Specifically, we and these other persons have agreed, with certain limited exceptions, not to directly or indirectly

- offer, pledge, sell or contract to sell any common stock,
- sell any option or contract to purchase any common stock,
- purchase any option or contract to sell any common stock,
- grant any option, right or warrant for the sale of any common stock,
- transfer or otherwise dispose of any common stock,
- request or demand that we file or make a confidential submission of a registration statement related to the common stock,
- enter into any swap or other agreement that transfers, in whole or in part, the economic consequence of ownership of any common stock whether any such swap or transaction is to be settled by delivery of shares or other securities, in cash or otherwise, or
- publicly disclose the intention to do any of the foregoing.

This lock-up provision applies to common stock and to securities convertible into or exchangeable or exercisable for or repayable with common stock. It also applies to common stock owned now or acquired later by the person executing the agreement or for which the person executing the agreement later acquires the power of disposition. BofA Securities, Inc. and Morgan Stanley & Co. LLC, in their sole discretion, may release the common stock and other securities subject to the lock-up agreements described above in whole or in part at any time with or without notice.

Nasdaq Global Market Listing

We expect the shares to be approved for listing on the Nasdaq Global Market, subject to notice of issuance, under the symbol “NARI.”

Before this offering, there has been no public market for our common stock. The initial public offering price will be determined through negotiations between us and the representatives. In addition to prevailing market conditions, the factors to be considered in determining the initial public offering price are:

- the valuation multiples of publicly traded companies that the representatives believe to be comparable to us,
- our financial information,
- the history of, and the prospects for, our company and the industry in which we compete,
- an assessment of our management, its past and present operations, and the prospects for, and timing of, our future revenues,
- the present state of our development, and
- the above factors in relation to market values and various valuation measures of other companies engaged in activities similar to ours.

An active trading market for the shares may not develop. It is also possible that after the offering the shares will not trade in the public market at or above the initial public offering price.

The underwriters do not expect to sell more than 5% of the shares in the aggregate to accounts over which they exercise discretionary authority.

Price Stabilization, Short Positions and Penalty Bids

Until the distribution of the shares is completed, SEC rules may limit underwriters and selling group members from bidding for and purchasing our common stock. However, the representatives may engage in transactions that stabilize the price of the common stock, such as bids or purchases to peg, fix or maintain that price.

In connection with the offering, the underwriters may purchase and sell our common stock in the open market. These transactions may include short sales, purchases on the open market to cover positions created by short sales and stabilizing transactions. Short sales involve the sale by the underwriters of a greater number of shares than they are required to purchase in the offering. “Covered” short sales are sales made in an amount not greater than the underwriters’ option to purchase additional shares described above. The underwriters may close out any covered short position by either exercising their option to purchase additional shares or purchasing shares in the open market. In determining the source of shares to close out the covered short position, the underwriters will consider, among other things, the price of shares available for purchase in the open market as compared to the price at which they may purchase shares through the option granted to them. “Naked” short sales are sales in excess of such option. The underwriters must close out any naked short position by purchasing shares in the open market. A naked short position is more likely to be created if the underwriters are concerned that there may be downward pressure on the price of our common stock in the open market after pricing that could adversely affect investors who purchase in the offering. Stabilizing transactions consist of various bids for or purchases of shares of common stock made by the underwriters in the open market prior to the completion of the offering.

The underwriters may also impose a penalty bid. This occurs when a particular underwriter repays to the underwriters a portion of the underwriting discounts received by it because the representatives have repurchased shares sold by or for the account of such underwriter in stabilizing or short covering transactions.

Similar to other purchase transactions, the underwriters' purchases to cover the syndicate short sales may have the effect of raising or maintaining the market price of our common stock or preventing or retarding a decline in the market price of our common stock. As a result, the price of our common stock may be higher than the price that might otherwise exist in the open market. The underwriters may conduct these transactions on the Nasdaq Global Market, in the over-the-counter market or otherwise.

Neither we nor any of the underwriters make any representation or prediction as to the direction or magnitude of any effect that the transactions described above may have on the price of our common stock. In addition, neither we nor any of the underwriters make any representation that the representatives will engage in these transactions or that these transactions, once commenced, will not be discontinued without notice.

Electronic Distribution

In connection with the offering, certain of the underwriters or securities dealers may distribute prospectuses by electronic means, such as e-mail.

Other Relationships

The underwriters and their respective affiliates are full service financial institutions engaged in various activities, which may include sales and trading, commercial and investment banking, advisory, investment management, investment research, principal investment, hedging, market making, brokerage and other financial and non-financial activities and services. Some of the underwriters and their affiliates have engaged in, and may in the future engage in, investment banking and other commercial dealings in the ordinary course of business with us or our affiliates. They have received, or may in the future receive, customary fees and commissions for these transactions.

In addition, in the ordinary course of their business activities, the underwriters and their affiliates may make or hold a broad array of investments and actively trade debt and equity securities (or related derivative securities) and financial instruments (including bank loans) for their own account and for the accounts of their customers. Such investments and securities activities may involve securities and/or instruments of ours or our affiliates. The underwriters and their affiliates may also make investment recommendations and/or publish or express independent research views in respect of such securities or financial instruments and may hold, or recommend to clients that they acquire, long and/or short positions in such securities and instruments.

Notice to Prospective Investors in the European Economic Area and the United Kingdom

In relation to each Member State of the European Economic Area and the United Kingdom (each a "Relevant State"), no shares have been offered or will be offered pursuant to this offering to the public in that Relevant State prior to the publication of a prospectus in relation to the shares which has been approved by the competent authority in that Relevant State or, where appropriate, approved in another Relevant State and notified to the competent authority in that Relevant State, all in accordance with the Prospectus Regulation, except that offers of shares may be made to the public in that Relevant State at any time under the following exemptions under the Prospectus Regulation:

(a) to any legal entity which is a qualified investor as defined under the Prospectus Regulation;

(b) to fewer than 150 natural or legal persons (other than qualified investors as defined under the Prospectus Regulation), subject to obtaining the prior consent of the representatives for any such offer; or

(c) in any other circumstances falling within Article 1(4) of the Prospectus Regulation,

provided that no such offer of shares shall require us or any representative to publish a prospectus pursuant to Article 3 of the Prospectus Regulation or supplement a prospectus pursuant to Article 23 of the Prospectus Regulation.

Each person in a Relevant State who initially acquires any shares or to whom any offer is made will be deemed to have represented, acknowledged and agreed to and with us and the representatives that it is a qualified investor within the meaning of the Prospectus Regulation.

In the case of any shares being offered to a financial intermediary as that term is used in Article 5(1) of the Prospectus Regulation, each such financial intermediary will be deemed to have represented, acknowledged and agreed that the shares acquired by it in the offer have not been acquired on a non-discretionary basis on behalf of, nor have they been acquired with a view to their offer or resale to, persons in circumstances which may give rise to an offer to the public other than their offer or resale in a Relevant State to qualified investors, in circumstances in which the prior consent of the representatives has been obtained to each such proposed offer or resale.

We, the representatives and their respective affiliates will rely upon the truth and accuracy of the foregoing representations, acknowledgments and agreements.

For the purposes of this provision, the expression an "offer to the public" in relation to any shares in any Relevant State means the communication in any form and by any means of sufficient information on the terms of the offer and any shares to be offered so as to enable an investor to decide to purchase or subscribe for any shares, and the expression "Prospectus Regulation" means Regulation (EU) 2017/1129 (as amended).

References to the Prospectus Regulation includes, in relation to the UK, the Prospectus Regulation as it forms part of UK domestic law by virtue of the European Union (Withdrawal) Act 2018.

The above selling restriction is in addition to any other selling restrictions set out below.

In connection with the offering, BofA Securities, Inc., Morgan Stanley & Co. LLC, Canaccord Genuity LLC and Wells Fargo Securities, LLC are not acting for anyone other than the issuer and will not be responsible to anyone other than the issuer for providing the protections afforded to their clients nor for providing advice in relation to the offering.

Notice to Prospective Investors in the United Kingdom

This document is for distribution only to persons who (i) have professional experience in matters relating to investments and who qualify as investment professionals within the meaning of Article 19(5) of the Financial Services and Markets Act 2000 (Financial Promotion) Order 2005 (as amended, the "Financial Promotion Order"), (ii) are persons falling within Article 49(2)(a) to (d) ("high net worth companies, unincorporated associations etc.") of the Financial Promotion Order, (iii) are outside the United Kingdom, or (iv) are persons to whom an invitation or inducement to engage in investment activity (within the meaning of Section 21 of the Financial Services and Markets Act 2000, as amended ("FSMA")) in connection with the issue or sale of any securities may otherwise lawfully be communicated or caused to be communicated (all such persons together being referred to as "relevant persons"). This document is directed only at relevant persons and must not be acted on or relied on by persons who are not relevant persons. Any investment or investment activity to which this document relates is available only to relevant persons and will be engaged in only with relevant persons.

Notice to Prospective Investors in Switzerland

The shares may not be publicly offered in Switzerland and will not be listed on the SIX Swiss Exchange, or SIX, or on any other stock exchange or regulated trading facility in Switzerland. This document has

been prepared without regard to the disclosure standards for issuance prospectuses under art. 652a or art. 1156 of the Swiss Code of Obligations or the disclosure standards for listing prospectuses under art. 27 ff. of the SIX Listing Rules or the listing rules of any other stock exchange or regulated trading facility in Switzerland. Neither this document nor any other offering or marketing material relating to the shares or the offering may be publicly distributed or otherwise made publicly available in Switzerland.

Neither this document nor any other offering or marketing material relating to the offering, us or the shares have been or will be filed with or approved by any Swiss regulatory authority. In particular, this document will not be filed with, and the offer of shares will not be supervised by, the Swiss Financial Market Supervisory Authority FINMA (FINMA), and the offer of shares has not been and will not be authorized under the Swiss Federal Act on Collective Investment Schemes, or CISA. The investor protection afforded to acquirers of interests in collective investment schemes under the CISA does not extend to acquirers of shares.

Notice to Prospective Investors in the Dubai International Financial Centre

This prospectus relates to an Exempt Offer in accordance with the Offered Securities Rules of the Dubai Financial Services Authority, or DFSA. This prospectus is intended for distribution only to persons of a type specified in the Offered Securities Rules of the DFSA. It must not be delivered to, or relied on by, any other person. The DFSA has no responsibility for reviewing or verifying any documents in connection with Exempt Offers. The DFSA has not approved this prospectus nor taken steps to verify the information set forth herein and has no responsibility for the prospectus. The shares to which this prospectus relates may be illiquid and/or subject to restrictions on their resale. Prospective purchasers of the shares offered should conduct their own due diligence on the shares. If you do not understand the contents of this prospectus you should consult an authorized financial advisor.

Notice to Prospective Investors in Australia

No placement document, prospectus, product disclosure statement or other disclosure document has been lodged with the Australian Securities and Investments Commission, or ASIC, in relation to the offering. This prospectus does not constitute a prospectus, product disclosure statement or other disclosure document under the Corporations Act 2001, or Corporations Act, and does not purport to include the information required for a prospectus, product disclosure statement or other disclosure document under the Corporations Act.

Any offer in Australia of the shares may only be made to persons, or Exempt Investors, who are “sophisticated investors” (within the meaning of section 708(8) of the Corporations Act), “professional investors” (within the meaning of section 708(11) of the Corporations Act) or otherwise pursuant to one or more exemptions contained in section 708 of the Corporations Act so that it is lawful to offer the shares without disclosure to investors under Chapter 6D of the Corporations Act.

The shares applied for by Exempt Investors in Australia must not be offered for sale in Australia in the period of 12 months after the date of allotment under the offering, except in circumstances where disclosure to investors under Chapter 6D of the Corporations Act would not be required pursuant to an exemption under section 708 of the Corporations Act or otherwise or where the offer is pursuant to a disclosure document which complies with Chapter 6D of the Corporations Act. Any person acquiring shares must observe such Australian on-sale restrictions.

This prospectus contains general information only and does not take account of the investment objectives, financial situation or particular needs of any particular person. It does not contain any securities recommendations or financial product advice. Before making an investment decision, investors need to consider whether the information in this prospectus is appropriate to their needs, objectives and circumstances, and, if necessary, seek expert advice on those matters.

Notice to Prospective Investors in Hong Kong

The shares have not been offered or sold and will not be offered or sold in Hong Kong, by means of any document, other than (a) to "professional investors" as defined in the Securities and Futures Ordinance (Cap. 571) of Hong Kong and any rules made under that Ordinance; or (b) in other circumstances which do not result in the document being a "prospectus" as defined in the Companies Ordinance (Cap. 32) of Hong Kong or which do not constitute an offer to the public within the meaning of that Ordinance. No advertisement, invitation or document relating to the shares has been or may be issued or has been or may be in the possession of any person for the purposes of issue, whether in Hong Kong or elsewhere, which is directed at, or the contents of which are likely to be accessed or read by, the public of Hong Kong (except if permitted to do so under the securities laws of Hong Kong) other than with respect to shares which are or are intended to be disposed of only to persons outside Hong Kong or only to "professional investors" as defined in the Securities and Futures Ordinance and any rules made under that Ordinance.

Notice to Prospective Investors in Japan

The shares have not been and will not be registered under the Financial Instruments and Exchange Law of Japan (Law No. 25 of 1948, as amended) and, accordingly, will not be offered or sold, directly or indirectly, in Japan, or for the benefit of any Japanese Person or to others for re-offering or resale, directly or indirectly, in Japan or to any Japanese Person, except in compliance with all applicable laws, regulations and ministerial guidelines promulgated by relevant Japanese governmental or regulatory authorities in effect at the relevant time. For the purposes of this paragraph, "Japanese Person" shall mean any person resident in Japan, including any corporation or other entity organized under the laws of Japan.

Notice to Prospective Investors in Singapore

This prospectus has not been registered as a prospectus with the Monetary Authority of Singapore. Accordingly, the shares were not offered or sold or caused to be made the subject of an invitation for subscription or purchase and will not be offered or sold or caused to be made the subject of an invitation for subscription or purchase, and this prospectus or any other document or material in connection with the offer or sale, or invitation for subscription or purchase, of the shares, has not been circulated or distributed, nor will it be circulated or distributed, whether directly or indirectly, to any person in Singapore other than (i) to an institutional investor (as defined in Section 4A of the Securities and Futures Act (Chapter 289) of Singapore, as modified or amended from time to time, or SFA) pursuant to Section 274 of the SFA, (ii) to a relevant person (as defined in Section 275(2) of the SFA) pursuant to Section 275(1) of the SFA, or any person pursuant to Section 275(1A) of the SFA, and in accordance with the conditions specified in Section 275 of the SFA, or (iii) otherwise pursuant to, and in accordance with the conditions of, any other applicable provision of the SFA.

Where the shares are subscribed or purchased under Section 275 of the SFA by a relevant person which is:

(a) a corporation (which is not an accredited investor (as defined in Section 4A of the SFA)) the sole business of which is to hold investments and the entire share capital of which is owned by one or more individuals, each of whom is an accredited investor; or

(b) a trust (where the trustee is not an accredited investor) whose sole purpose is to hold investments and each beneficiary of the trust is an individual who is an accredited investor.

Securities or securities-based derivatives contracts (each term as defined in Section 2(1) of the SFA) of that corporation or the beneficiaries' rights and interest (howsoever described) in that trust shall not be transferred within six months after that corporation or that trust has acquired the shares pursuant to an offer made under Section 275 of the SFA except:

(a) to an institutional investor or to a relevant person, or to any person arising from an offer referred to in Section 275(1A) or Section 276(4)(i)(B) of the SFA;

(b) where no consideration is or will be given for the transfer;

(c) where the transfer is by operation of law; or

(d) as specified in Section 276(7) of the SFA.

Notice to Prospective Investors in Canada

The shares may be sold only to purchasers purchasing, or deemed to be purchasing, as principal that are accredited investors, as defined in National Instrument 45-106 *Prospectus Exemptions* or subsection 73.3(1) of the *Securities Act* (Ontario), and are permitted clients, as defined in National Instrument 31-103 *Registration Requirements, Exemptions and Ongoing Registrant Obligations*. Any resale of the shares must be made in accordance with an exemption from, or in a transaction not subject to, the prospectus requirements of applicable securities laws.

Securities legislation in certain provinces or territories of Canada may provide a purchaser with remedies for rescission or damages if this prospectus (including any amendment thereto) contains a misrepresentation, provided that the remedies for rescission or damages are exercised by the purchaser within the time limit prescribed by the securities legislation of the purchaser's province or territory. The purchaser should refer to any applicable provisions of the securities legislation of the purchaser's province or territory for particulars of these rights or consult with a legal advisor.

Pursuant to section 3A.3 (or, in the case of securities issued or guaranteed by the government of a non-Canadian jurisdiction, section 3A.4) of National Instrument 33-105 *Underwriting Conflicts* (NI 33-105), the underwriters are not required to comply with the disclosure requirements of NI 33-105 regarding underwriter conflicts of interest in connection with this offering.

LEGAL MATTERS

The validity of the shares of our common stock offered hereby will be passed upon for us by Latham & Watkins LLP. Certain legal matters will be passed upon for the underwriters by Shearman & Sterling LLP, New York, New York.

EXPERTS

The financial statements as of and for the years ended December 31, 2019 and 2018 included in this prospectus and in the registration statement have been so included in reliance on the report of BDO USA, LLP, an independent registered public accounting firm, appearing elsewhere herein and in the registration statement, given on the authority of said firm as experts in auditing and accounting.

WHERE YOU CAN FIND MORE INFORMATION

We have filed with the SEC a registration statement on Form S-1 under the Securities Act with respect to the shares of common stock offered hereby. This prospectus, which constitutes a part of the registration statement, does not contain all of the information set forth in the registration statement or the exhibits and schedules filed therewith. For further information about us and the shares of common stock offered hereby, reference is made to the registration statement and the exhibits and schedules filed therewith. Statements contained in this prospectus regarding the contents of any contract or any other document that is filed as an exhibit to the registration statement are not necessarily complete, and in each instance, such statement is qualified in all respects by reference to the full text of such contract or other document filed as an exhibit to the registration statement. You can read our SEC filings, including the registration statement, at the SEC's website which contains reports, proxy and information statements and other information regarding registrants, like us, that file electronically with the SEC. The address of the website is *www.sec.gov*.

As a result of this offering, we will become subject to the information and reporting requirements of the Exchange Act and, in accordance with this law, will file periodic reports, proxy and information statements and other information with the SEC. These periodic reports, proxy and information statements and other information will be available for inspection at the website of the SEC referred to above. We also maintain a website at *www.inarimedical.com*. Upon completion of this offering, you may access these materials free of charge as soon as reasonably practicable after they are filed electronically with, or furnished to, the SEC. The inclusion of our website address in this prospectus is an inactive textual reference only. The information contained on, or that can be accessed through, our website is not incorporated by reference into, and is not a part of, this prospectus or the registration statement of which this prospectus forms a part. Investors should not rely on any such information in deciding whether to purchase our common stock.

INARI MEDICAL, INC.
INDEX TO FINANCIAL STATEMENTS

As of and
for the Years Ended December 31, 2018 and 2019

Report of Independent Registered Public Accounting Firm

Shareholders and Board of Directors
Inari Medical, Inc.
Irvine, California

Opinion on the Financial Statements

We have audited the accompanying balance sheets of Inari Medical, Inc. (the "Company") as of December 31, 2019 and 2018, the related statements of operations, mezzanine equity and stockholders' deficit, and cash flows for the years then ended, and the related notes (collectively referred to as the "financial statements"). In our opinion, the financial statements present fairly, in all material respects, the financial position of the Company at December 31, 2019 and 2018, and the results of its operations and its cash flows for the years then ended**,** in conformity with accounting principles generally accepted in the United States of America.

Change in Accounting Method Related to Revenue Recognition

As discussed in Note 2 to the financial statements, the Company has changed its method of accounting for revenues and related disclosures in 2019 due to the adoption of Accounting Standards Codification 606, *Revenue from Contracts with Customers.*

Basis for Opinion

These financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on the Company's financial statements based on our audits. We are a public accounting firm registered with the Public Company Accounting Oversight Board (United States) ("PCAOB") and are required to be independent with respect to the Company in accordance with the U.S. federal securities laws and the applicable rules and regulations of the Securities and Exchange Commission and the PCAOB.

We conducted our audits in accordance with the standards of the PCAOB. Those standards require that we plan and perform the audits to obtain reasonable assurance about whether the financial statements are free of material misstatement, whether due to error or fraud. The Company is not required to have, nor were we engaged to perform, an audit of its internal control over financial reporting. As part of our audits we are required to obtain an understanding of internal control over financial reporting but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control over financial reporting. Accordingly, we express no such opinion.

Our audits included performing procedures to assess the risks of material misstatement of the financial statements, whether due to error or fraud, and performing procedures that respond to those risks. Such procedures included examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements. Our audits also included evaluating the accounting principles used and significant estimates made by management, as well as evaluating the overall presentation of the financial statements. We believe that our audits provide a reasonable basis for our opinion.

/s/ BDO USA, LLP

We have served as the Company's auditor since 2019.

Costa Mesa, California
February 21, 2020

INARI MEDICAL, INC.

BALANCE SHEETS

	December 31	
	2018	2019
Assets		
Current assets		
Cash and cash equivalents	$ 21,833,743	$ 23,639,317
Accounts receivable, net	2,229,498	11,301,820
Restricted cash	50,000	50,000
Inventories, net	1,093,335	3,953,213
Prepaid expenses and other current assets	757,860	464,082
Total current assets	25,964,436	39,408,432
Property and equipment, net	919,962	3,331,120
Restricted cash	—	337,920
Deposits and other assets	17,083	1,469,143
Total assets	$ 26,901,481	$ 44,546,615
Liabilities, Mezzanine Equity, and Stockholders' Deficit		
Current liabilities		
Accounts payable	$ 714,090	$ 2,548,804
Payroll-related accruals	1,286,245	5,225,072
Accrued expenses and other current liabilities	127,515	1,096,322
Total current liabilities	2,127,850	8,870,198
Notes payable, net	9,836,410	19,480,684
Warrant liabilities	212,528	1,169,336
Total liabilities	12,176,788	29,520,218
Commitments and Contingencies (Note 6)		
Mezzanine equity		
Redeemable convertible preferred stock, $0.001 par value, 46,017,626 shares authorized as of December 31, 2018 and 2019, 45,651,216 shares issued and outstanding as of December 31, 2018 and 2019; aggregate liquidation preference of $54,414,999 as of December 31, 2018 and 2019	54,170,233	54,170,233
Stockholders' deficit		
Common stock, $0.001 par value, 60,000,000 and 70,000,000 shares authorized, 9,011,923 and 9,597,311 shares issued and outstanding as of December 31, 2018 and 2019, respectively	9,012	9,597
Additional paid in capital	1,426,949	2,058,373
Subscription receivable	(757,975)	—
Accumulated deficit	(40,123,526)	(41,211,806)
Total stockholders' deficit	(39,445,540)	(39,143,836)
Total liabilities, mezzanine equity and stockholders' deficit	$ 26,901,481	$ 44,546,615

The accompanying notes are an integral part of these financial statements.

INARI MEDICAL, INC.

STATEMENTS OF OPERATIONS

	Years Ended December 31,	
	2018	2019
Revenues	$ 6,828,773	$ 51,128,905
Cost of goods sold	1,280,488	5,910,425
Gross profit	5,548,285	45,218,480
Operating expenses		
Research and development	3,989,752	7,219,898
Selling, general and administrative	10,697,914	37,197,088
Total operating expenses	14,687,666	44,416,986
Income (loss) from operations	(9,139,381)	801,494
Other income (expense)		
Interest income	92,075	89,114
Interest expense	(887,173)	(920,459)
Change in fair value of warrant liabilities	(85,477)	(956,808)
Other expenses	(132,732)	(205,166)
Total other expenses, net	(1,013,307)	(1,993,319)
Net loss and comprehensive loss	$ (10,152,688)	$ (1,191,825)
Net loss per share, basic and diluted	$ (1.41)	$ (0.14)
Weighted average common shares used to compute net loss per share, basic and diluted	7,221,036	8,407,425

The accompanying notes are an integral part of these financial statements.

INARI MEDICAL, INC.

STATEMENTS OF MEZZANINE EQUITY AND STOCKHOLDERS' DEFICIT

	Redeemable Convertible Preferred Stock		Common Stock		Subscription Receivable	Additional Paid In Capital	Accumulated Deficit	Total Stockholders' Deficit
	Shares	Amount	Shares	Amount				
Balance, December 31, 2017	24,722,606	$ 27,251,389	7,819,016	$ 7,819	$ (500,877)	$ 921,407	$ (29,970,838)	$ (29,542,489)
Issuance of Series C redeemable preferred stock at $1.2901 per share for cash, net of offering costs of $81,156	20,928,610	26,918,844	—	—	—	—	—	—
Options exercised for common stock		—	1,192,907	1,193	(245,101)	257,796	—	13,888
Interest earned on subscription receivable	—	—	—	—	(11,997)	—	—	(11,997)
Share based compensation expense	—	—	—	—	—	247,746	—	247,746
Net loss	—	—	—	—	—	—	(10,152,688)	(10,152,688)
Balance, December 31, 2018	45,651,216	54,170,233	9,011,923	9,012	(757,975)	1,426,949	(40,123,526)	(39,445,540)
Adjustment to recognize new revenue standard	—	—	—	—	—	—	103,545	103,545
Options exercised for common stock	—	—	585,388	585	—	126,624	—	127,209
Interest earned on subscription receivable	—	—	—	—	(14,712)	—	—	(14,712)
Proceeds from subscription receivable	—	—	—	—	772,687	—	—	772,687
Share based compensation expense	—	—	—	—	—	504,800	—	504,800
Net loss	—	—	—	—	—	—	(1,191,825)	(1,191,825)
Balance, December 31, 2019	45,651,216	$ 54,170,233	9,597,311	$ 9,597	$ —	$ 2,058,373	$ (41,211,806)	$ (39,143,836)

The accompanying notes are an integral part of these financial statements.

INARI MEDICAL, INC.

STATEMENTS OF CASH FLOWS

	Years Ended December 31, 2018	2019
Cash flows from operating activities		
Net loss	$ (10,152,688)	$ (1,191,825)
Adjustments to reconcile net loss to net cash used in operating activities:		
Depreciation	283,048	613,520
Amortization of deferred financing costs	106,023	101,003
Loss on extinguishment of debt	—	205,046
Share based compensation expense	247,746	504,800
Amortization of fair value of warrants issued with debt	29,192	14,589
Loss on disposal of fixed assets	29,446	119,458
Loss on change in fair value of warrant liabilities	85,477	956,808
Changes in:		
Accounts receivable	(2,165,367)	(8,954,819)
Inventories	(558,037)	(2,873,836)
Prepaid expenses and other assets	40,874	(1,158,282)
Accounts payable	372,056	1,834,714
Payroll-related accruals, accrued liabilities and other liabilities	790,115	4,892,922
Net cash used in operating activities	(10,892,115)	(4,935,902)
Cash flows from investing activities		
Purchase of property and equipment	(752,700)	(3,144,136)
Net cash used in investing activities	(752,700)	(3,144,136)
Cash flows from financing activities		
Gross proceeds from issuance of redeemable convertible preferred stock	27,000,000	—
Preferred stock offering costs	(81,156)	—
Proceeds from long-term debt	—	20,000,000
Repayment of long-term debt	—	(10,140,000)
Debt financing costs	(175,000)	(536,364)
Proceeds from exercise of stock options	13,888	127,209
Proceeds from subscriptions receivable	—	772,687
Net cash provided by financing activities	26,757,732	10,223,532
Net increase in cash	15,112,917	2,143,494
Cash, cash equivalents and restricted cash, beginning of year	6,770,826	21,883,743
Cash, cash equivalents and restricted cash, end of year	$ 21,883,743	$ 24,027,237
Supplemental disclosures of cash flow information		
Cash paid for taxes	$ 15,668	$ 13,806
Cash paid for interest	$ 747,222	$ 809,931
Noncash investing and financing		
Disposal of fully-depreciated fixed assets	$ 47,906	$ 263,719
Promissory notes issued for exercises of stock options	$ 245,101	$ —
Accrual of deferred interest obligation associated with debt	$ 140,000	$ 150,000

The accompanying notes are an integral part of these financial statements.

INARI MEDICAL, INC.

NOTES TO FINANCIAL STATEMENTS

1. Description of Business and Basis of Presentation

Inari Medical, Inc. (the Company) was incorporated in Delaware in July 2011 and is headquartered in Irvine, California. The Company develops, manufactures, markets and sells devices for the interventional treatment of venous diseases. The Company received initial 510(k) clearance from the U.S. Food and Drug Administration (FDA) in February 2015 for its FlowTriever system, used to treat pulmonary emboli, and in February 2017 for its ClotTriever system, used for the treatment of deep vein thrombosis.

The accompanying financial statements are prepared in accordance with accounting principles generally accepted in the United States of America ("U.S. GAAP"). Certain prior year reported amounts have been reclassified to conform with the 2019 presentation.

2. Summary of Significant Accounting Policies

Management Estimates

The preparation of financial statements in conformity with U.S. GAAP requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Significant estimates and assumptions made in the accompanying financial statements include, but are not limited to the collectability of receivables, valuation of inventory, the fair value of common stock warrants, the fair value of preferred stock warrant liabilities, the fair value of stock options, recoverability of the Company's net deferred tax assets, and related valuation allowance and certain accruals. The Company evaluates its estimates and assumptions on an ongoing basis using historical experience and other factors and adjusts those estimates and assumptions when facts and circumstances dictate. Actual results could materially differ from those estimates.

Cash, Cash Equivalents and Restricted Cash

The Company considers cash on hand, cash in demand deposit accounts including money market funds, and instruments with a maturity date of 90 days or less at date of purchase to be cash and cash equivalents. The Company maintains its cash, cash equivalent and restricted cash balances with banks. Under the Dodd-Frank Wall Street Reform and Consumer Protection Act, deposits of up to $250,000 at FDIC-insured institutions are covered by FDIC insurance. At times, deposits may be in excess of the FDIC insurance limit; however, management does not believe the Company is exposed to any significant related credit risk.

Restricted cash as of December 31, 2019 consisted of a cash secured letter of credit in the amount of $337,920 representing collateral for the Company's facility lease. Restricted cash additionally included as of December 31, 2018 and 2019, a compensating balance of $50,000 to secure the Company's corporate purchasing cards.

Accounts Receivable, net

Trade accounts receivable are recorded at the invoiced amount, net of any allowance for doubtful accounts. Any allowance for doubtful accounts is developed based upon several factors including the customers' credit quality, historical write-off experience and any known specific issues or disputes which exist as of the balance sheet date. Account receivable balances are written off against the allowance after appropriate collection efforts are exhausted. The allowance for doubtful accounts was $62,000 as of December 31, 2019 and no accounts receivable write offs were recognized during the year ended December 31, 2019. There was no allowance for doubtful accounts recorded and no accounts receivable write-offs recognized as of and for the year ended December 31, 2018.

INARI MEDICAL, INC.

NOTES TO FINANCIAL STATEMENTS

Inventories, net

The Company values inventory at the lower of the actual cost to purchase or manufacture the inventory or net realizable value for such inventory. Cost, which includes material, labor and overhead costs, is determined on the first-in, first out method (FIFO). The Company regularly reviews inventory quantities in process and on hand, and when appropriate, records a provision for obsolete and excess inventory. The Company writes down inventory that has become obsolete, inventory that has a cost basis in excess of its expected net realizable value and inventory in excess of expected requirements based on future demand and as compared to remaining shelf life. The estimate of excess quantities is subjective and primarily dependent on the Company's estimates of future demand for a particular product. If the estimate of future demand is inaccurate based on actual sales, the Company may increase the write down for excess inventory for that component and record a charge to inventory impairment in the accompanying statement of operations and comprehensive loss.

Property and Equipment

Property and equipment are stated at cost. Additions and improvements that extend the lives of the assets are capitalized while expenditures for repairs and maintenance are expensed as incurred. Depreciation is provided using the straight-line method over the estimated useful lives of the assets, ranging from three to seven years. Leasehold improvements are depreciated over the shorter of the useful life of the improvement or the lease term, including renewal periods that are reasonably assured.

Upon sale or disposition of property and equipment, any gain or loss is included in the accompanying statement of operations.

Deferred Initial Public Offering Costs

Specific incremental legal, accounting and other fees and costs directly attributable to a proposed or actual offering of securities may properly be deferred and charged against the gross proceeds of the offering. In the event the Company's planned IPO does not occur or is significantly delayed, all of the costs will be expensed. As of December 31, 2019, there were approximately $1,382,000 of offering costs, primarily consisting of legal, accounting and printing fees, that were capitalized in other non-current assets on the balance sheet. No deferred offering costs were capitalized as of December 31, 2018.

Impairment of Long-lived Assets

The Company reviews long-lived assets for impairment whenever events or changes in circumstances indicate that the carrying amount of an asset may not be recoverable. Recoverability is measured by comparing the carrying amount to the future net undiscounted cash flows which the assets are expected to generate. If such assets are considered impaired, the impairment to be recognized is measured by the amount by which the carrying amount of the assets exceeds the projected discounted future net cash flows arising from the asset. The Company has not identified any such impairment losses to date.

Fair Value of Financial Instruments

The Company's cash, cash equivalents and restricted cash, accounts receivable, accounts payable and accrued liabilities approximate their fair value due to their liquidity or short maturities. Management believes that its long term debt bears interest at the prevailing market rates for instruments with similar characteristics; accordingly, the carrying value of this instrument approximates its fair value as of December 31, 2018 and 2019.

INARI MEDICAL, INC.

NOTES TO FINANCIAL STATEMENTS

The Company measures and records certain financial assets and liabilities at fair value on a recurring basis. U.S. GAAP provides a fair value hierarchy that distinguishes between (i) market participant assumptions developed based on market data obtained from independent sources (observable inputs) and (ii) an entity's own assumptions about market participant assumptions developed based on the best information available in the circumstances (unobservable inputs). The fair value hierarchy consists of three broad levels.

- Level 1—Quoted prices in active markets for identical assets or liabilities.
- Level 2—Inputs other than Level 1 that are observable, either directly or indirectly, such as quoted prices for similar assets or liabilities; quoted prices in markets that are not active; or other inputs that are observable or can be corroborated by observable market data for substantially the full term of the assets or liabilities.
- Level 3—Unobservable inputs that are supported by little or no market activity and that are significant to the fair value of assets or liabilities.

See Note 3 for further information.

Convertible Preferred Stock Warrant Liability

The Company has accounted for its freestanding warrants to purchase shares of the Company's convertible preferred stock as liabilities at fair value upon issuance primarily because the preferred shares underlying the warrants contain contingent redemption features outside the control of the Company. The warrants are subject to remeasurement at each balance sheet date and any change in fair value is recognized as the change in fair value of warrant liability and recorded to other expense in the statements of operations. The carrying value of the warrants will continue to be adjusted until such time as these instruments are exercised, expire or convert into warrants to purchase shares of the Company's stock.

Revenue Recognition

On January 1, 2019, the Company adopted Accounting Standards Codification ("ASC") 606, *Revenue from Contracts with Customers*, using the modified retrospective method applied to contracts which were not completed as of that date. Revenue for reporting periods beginning after January 1, 2019 are presented under ASC 606, while prior period revenue amounts are not adjusted and continue to be reported in accordance with the Company's historic accounting under ASC 605, *Revenue Recognition*.

Under ASC 606, revenue is recognized when a customer obtains control of promised goods or services, in an amount that reflects the consideration which the entity expects to receive in exchange for those goods or services. To determine revenue recognition for arrangements that an entity determines are within the scope of ASC 606, the Company performs the following five steps: (i) identify the contract(s) with a customer; (ii) identify the performance obligations in the contract; (iii) determine the transaction price; (iv) allocate the transaction price to the performance obligations in the contract; and (v) recognize revenue when (or as) the entity satisfies a performance obligation.

Product sales of the FlowTriever and ClotTriever systems are made to hospitals in the United States utilizing the Company's direct sales force. Revenue is comprised of product revenue net of returns, administration fees and sales rebates.

INARI MEDICAL, INC.

NOTES TO FINANCIAL STATEMENTS

Performance Obligation—The Company has revenue arrangements that consist of a single performance obligation, delivery of the Company's products. The satisfaction of this performance obligation occurs with the transfer of control of the Company's product to its customers, either upon shipment or delivery of the product.

Revenue is measured as the amount of consideration the Company expects to receive in exchange for transferring goods. The amount of revenue that is recognized is based on the transaction price, which represents the invoiced amount and includes estimates of variable consideration such as rebate and administrative fees, where applicable. The Company provides a 30-day unconditional right of return period. The Company establishes estimated provisions for returns at the time of sale based on historical experience. Historically, the actual product returns have been immaterial to the Company's financial statements.

Assuming all other revenue recognition criteria have been met, the Company will recognize revenue for arrangements where the Company has satisfied its performance obligation of delivering the product. For sales where the Company's sales representatives hand deliver products directly to the hospital, control of the products transfers to the customer upon such hand delivery. For sales where products are shipped, control of the products transfers either upon shipment or delivery of the products to the customer, depending on the shipping terms and conditions. As of December 31, 2019, the Company recorded $329,600 of unbilled receivables, which are included in accounts receivable, net, in the accompanying balance sheet.

For the years ended December 31, 2018 and 2019, 41% and 38% of revenue was derived from the sale of ClotTriever products, respectively, and 59% and 62% of revenue was derived from the sale of FlowTriever products, respectively.

The Company offers payment terms to its customer of less than three months and these terms do not include a significant financing component. The Company excludes taxes assessed by governmental authorities on revenue-producing transactions from the measurement of the transaction price.

The Company offers its standard warranty to all customers and no warranties are available for sale on a standalone basis. The Company's warranty provides that its products are free of material defects and conform to specifications, and offer to repair, replace or refund the purchase price of defective products. This assurance does not constitute a service and is not considered a separate performance obligation. The Company estimates warranty liabilities at the time of revenue recognition and records it as a charge to cost of goods sold.

Costs associated with product sales include commissions and are recorded in selling, general and administrative expenses. The Company applies the practical expedient and recognizes commissions as expense when incurred because the amortization period is less than one year.

Effect of adoption—The Company recognized the cumulative effect of initially applying ASC 606 as an adjustment to the opening balance of accumulated deficit. The cumulative effect of the changes made to the balance sheet as of January 1, 2019 for the adoption of ASC 606 were as follows:

	December 31, 2018	Adoption adjustments	As adjusted January 1, 2019
Assets			
Accounts receivable, net	$ 2,229,498	$ 117,503	$ 2,347,001
Inventories, net	1,093,335	(13,958)	1,079,377
Equity			
Accumulated deficit	(40,123,526)	103,545	(40,019,981)

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In accordance with ASC 606, the disclosure of the impact of adoption on the balance sheet and statement of operations were as follows:

	Year ended December 31, 2019		
	As reported	Balances without adoption of ASC 606	Effects of Change
Balance sheet			
Accounts receivable, net	$ 11,301,820	$ 10,972,225	$ 329,595
Inventories, net	3,953,213	3,923,942	29,271
Accumulated deficit	(41,211,806)	(41,512,130)	300,324
Statement of operations			
Revenues	$ 51,128,905	$ 50,916,813	$ 212,092
Cost of goods sold	5,910,425	5,895,112	15,313

In 2018, the Company recognized revenue under Accounting Standards Codification (ASC) 605, *Revenue Recognition*, when all the following criteria were met, which was generally when the goods were delivered to the customer and the Company invoiced the customer:

- Appropriate evidence of a binding arrangement exists with the customer;
- The sales price is established with the customer;
- The shipment of the product has been received by the customer; and
- Collection of the corresponding receivable from the customer is reasonably assured at the time of sale.

Cost of Goods Sold

Cost of goods sold consists primarily of the cost of raw materials, components, direct labor and manufacturing overhead. Overhead costs include the cost of quality assurance, material procurement, inventory control, facilities, equipment and operations supervision and management, including stock-based compensation. Cost of goods sold also includes depreciation expense for production equipment and certain direct costs such as shipping costs and royalty expense. Shipping costs billed to customers are reported as a reduction of cost of goods sold.

Shipping Costs

Shipping costs billed to customers are reported as a reduction of cost of goods sold, with the corresponding costs reported within costs of goods sold.

Advertising Costs

Advertising costs are charged to operations as incurred. Advertising costs were $98,799 and $89,664 for the years ended December 31, 2018 and 2019, respectively. Advertising costs are included in selling, general and administrative expenses in the accompanying statements of operations.

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Research and Development

Research and development costs are expensed as incurred and include the costs to design, develop, test, deploy and enhance new and existing products. Research and development costs also include expenses associated with clinical studies, registries and sponsored research. These costs include direct salary and employee benefit related costs for research and development personnel, costs for materials used and costs for outside services.

Patent-related Expenditures

Expenditures related to patent research and applications, which are primarily legal fees, are expensed as incurred and are included in selling, general and administrative expenses in the accompanying statements of operations.

Stock-based Compensation

The Company's employee share-based awards result in a cost that is measured at fair value on the awards' grant date, based on the estimated number of awards that are expected to vest. Stock-based compensation is recognized over the service period.

Income Taxes

The Company uses the asset and liability method of accounting for income taxes. Under this method, deferred tax assets and liabilities are determined based on the differences between the financial reporting and the tax bases of assets and liabilities and are measured using the enacted tax rates and laws that will be in effect when the differences are expected to reverse. Management assesses the likelihood that the resulting deferred tax assets will be realized. A valuation allowance is provided when it is more likely than not that some portion or all of a deferred tax asset will not be realized. Due to the Company's historical operating performance and the recorded cumulative net losses in prior fiscal periods, the net deferred tax assets have been fully offset by a valuation allowance.

The Company recognizes uncertain income tax positions at the largest amount that is more likely than not to be sustained upon audit by the relevant taxing authority. An uncertain income tax position will not be recognized if it has less than a 50% likelihood of being sustained. Changes in recognition or measurement are reflected in the period in which judgment occurs. The Company's policy is to recognize interest and penalties related to the underpayment of income taxes as a component of provision for income taxes.

Foreign Currency Transactions

Certain vendors are paid in currencies other than the US dollar. Transaction gains and losses are included in selling, general and administrative expenses.

Comprehensive Income (Loss)

The Company's net loss equaled comprehensive loss for the years ended December 31, 2018 and 2019.

Net Loss per Share of Common Stock

Basic net loss per share is computed by dividing the net loss attributable to common stockholders by the weighted average number of shares of common stock outstanding during the period, without consideration for potential dilutive common shares. Diluted net loss per share is computed by dividing the net loss attributable to common stockholders by the weighted average number of shares of common stock and potentially dilutive

securities outstanding for the period. For purposes of the diluted net loss per share calculation, redeemable convertible preferred stock and warrants, and common stock options are considered to be potentially dilutive securities. Since the Company was in a loss position for the periods presented, basic net loss per share is the same as diluted net loss per share as the inclusion of all potential dilutive common shares would have been anti-dilutive.

The Company allocates no loss to participating securities because they have no contractual obligation to share in the losses of the Company. The shares of the Company's convertible preferred stock participate in any dividends declared by the Company and are therefore considered to be participating securities.

Segment Reporting

Operating segments are defined as components of an entity for which separate financial information is available and that is regularly reviewed by the Chief Operating Decision Maker ("CODM") in deciding how to allocate resources to an individual segment and in assessing performance. The Company's CODM is its Chief Executive Officer. The Company has determined it operates in one segment - the development and commercialization of innovative and minimally invasive mechanical thrombectomy devices to treat thromboembolism in the venous system. Geographically we sell to hospitals in the United States. Segment information is consistent with how management reviews the business, makes investing and resource allocation decisions and assesses operating performance.

Recently Adopted Accounting Pronouncements

As described in Note 2 above, the Company adopted ASC 606, *Revenue from Contracts with Customers*, effective January 1, 2019 using the modified retrospective method.

In August 2018, the FASB issued ASU 2018-15, *Intangibles—Goodwill and Other—Internal-Use Software (Subtopic 350-40): Customer's Accounting for Implementation Costs Incurred in a Cloud Computing Arrangement that is a Service Contract*, which aligns the requirements for capitalizing implementation costs incurred in a hosting arrangement that is a service contract with the requirements for capitalizing implementation costs incurred to develop or obtain internal-use software. The Company early adopted ASU 2018-15 beginning January 1 2019, and applied the guidance prospectively to the implementation costs incurred in its ERP implementation. See Note 5 for further information.

Recent Accounting Pronouncements

In June 2018, the FASB issued ASU No. 2018-07, *Compensation-Stock Compensation (Topic 718): Improvements to Nonemployee Share-Based Payment Accounting*, which expands guidance on accounting for share-based payment awards, which includes share-based payment transactions for acquiring goods and services from nonemployees and aligns the accounting for share-based payments for employees and non-employees. This guidance is effective for annual periods beginning after December 15, 2019, with early adoption permitted. The guidance should be applied to new awards granted after the date of adoption. Management is evaluating the impact that adopting this guidance will have on the financial statements.

In February 2017, the FASB issued ASU 2017-02, *Leases*, which requires lessees to recognize "right of use" assets and liabilities for all leases with terms of more than 12 months. Leases will be classified as either finance or operating, with classification affecting the pattern of expense recognition in the income statement. The ASU requires additional quantitative and qualitative financial statement note disclosures about the leases, significant judgments made in accounting for those leases and amounts recognized in the financial statements about those leases. The guidance will be effective for the Company on January 1, 2021 with early adoption permitted.

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Management is evaluating the impact that adopting this guidance will have on the financial statements, but anticipates an increase in assets and liabilities due to the recognition of the required right-of-use asset and corresponding liability for all significant lease obligations that are currently classified as operating leases. The income statement recognition of lease expense is not expected to materially change from the current methodology.

In June 2016, the FASB issued ASU 2016-13 "*Financial Instruments-Credit Losses (Topic 326): Measurement of Credit Losses on Financial Instruments*" which requires the measurement and recognition of expected credit losses for financial assets held at amortized cost. ASU 2016-13 replaces the existing incurred loss impairment model with an expected loss model, which requires the use of forward-looking information to calculate credit loss estimates. It also eliminates the concept of other-than-temporary impairment and requires credit losses related to available-for-sale debt securities to be recorded through an allowance for credit losses rather than as a reduction in the amortized cost basis of the securities. These changes will result in earlier recognition of credit losses. The guidance will be effective for the Company on January 1, 2023 with early adoption permitted. Management is evaluating the impact that adopting this guidance will have on the financial statements.

3. Fair Value Measurements

The following tables summarize the Company's financial assets and liabilities measured at fair value on a recurring basis by level within the fair value hierarchy:

	December 31, 2019			
	Level 1	Level 2	Level 3	Total
Liabilities				
Convertible preferred stock warrant liability	$ —	$ —	$1,169,336	$1,169,336
Total liabilities	$ —	$ —	$1,169,336	$1,169,336

	December 31, 2018			
	Level 1	Level 2	Level 3	Total
Liabilities				
Convertible preferred stock warrant liability	$ —	$ —	$ 212,528	$ 212,528
Total liabilities	$ —	$ —	$ 212,528	$ 212,528

The change in the fair value of the warrant liability is summarized below:

	Year Ended December 31, 2018	Year Ended December 31, 2019
Beginning balance	$ 127,051	$ 212,528
Change in fair value of warrant liability	85,477	956,808
Ending balance	$ 212,528	$1,169,336

The valuation of the Company's convertible preferred stock warrant liability contains unobservable inputs that reflect the Company's own assumptions for which there is little, if any, market activity for at the measurement date. Accordingly, the Company's convertible preferred stock warrant liability is measured at fair value in a recurring basis using unobservable inputs and are classified as Level 3 inputs, and any change in fair value is recognized as other expense in the statements of operations (see Note 11).

INARI MEDICAL, INC.

NOTES TO FINANCIAL STATEMENTS

4. Inventories, net

Inventories are net of reserves totaling $180,388 and $622,853 as of December 31, 2018 and 2019, respectively, and consist of the following:

	December 31	
	2018	2019
Raw materials	$ 365,577	$ 1,067,016
Work in process	196,747	639,668
Finished goods	531,011	2,246,529
	$ 1,093,335	$ 3,953,213

5. Property and Equipment. net

Property and equipment consist of the following:

	December 31	
	2018	2019
Manufacturing equipment	$ 970,626	$ 2,189,741
Leasehold improvements	399,148	931,908
Computer software	292,655	295,607
Furniture and fixtures	100,539	259,267
Computer hardware	165,919	527,410
Assets in progress	51,946	406,327
	1,980,833	4,610,260
Accumulated depreciation	(1,060,871)	(1,279,140)
	$ 919,962	$ 3,331,120

Depreciation expense of $208,278 and $510,811 was included in operating expenses and $74,770 and $102,709 was included in cost of goods sold for the years ended December 31, 2018 and 2019, respectively. A loss on retirement of assets no longer in service of $29,446 was included in operating expenses for the year ended December 31, 2018. The Company recorded an aggregate loss on retirement of assets no longer in service of $119,458 for the year ended December 31, 2019, $91,681 of which was included in cost of goods sold with the remaining $27,777 included in selling, general and administrative expenses.

Capitalized Implementation Costs of a Hosting Arrangement

The Company implemented a new enterprise resource planning, or ERP, system during 2019. The ERP system is a cloud-based hosting arrangement that is a service contract. The Company early and prospectively adopted ASU 2018-15, *Intangibles—Goodwill and Other-Internal Use Software (Subtopic 350-40): Customer's Accounting for Implementation Costs Incurred in a Cloud Computing Arrangement That is a Service Contract* in the classification of costs incurred in connection with the implementation of this hosted ERP system. Based on the guidance, the Company expensed all costs (internal and external) that were incurred in the planning and post-implementation operation stages and capitalized approximately $149,000 in implementation costs related to the application development stage. The capitalized costs are amortized on a straight-line basis over the non-cancelable contract term of three years. As of December 31, 2019, approximately $46,000 and $87,000 of

the capitalized costs were classified in current and noncurrent assets, respectively. The Company began amortizing the capitalized implementation costs in October 2019, which was the date the ERP system was placed in production and ready for its intended use. Amortization expense for the year ended December 31, 2019 was approximately $16,000 and is included in selling, general and administrative expenses.

6. Commitments and Contingencies

Operating Leases

In March 2019, the Company executed a five-year lease for a facility in Irvine, California, where all operations of the Company were moved when the Company obtained control of the facility in September 2019. The lease expires in September 2024 and contains two optional extension periods of five years each. Concurrently, a termination agreement was executed that released the Company from its previous facility lease obligation. In addition to the minimum future lease commitments presented below, the lease requires the Company to pay property taxes, insurance, maintenance, and repair costs. The lease includes a one-month rent holiday concession and escalation clauses for increased rent over the lease term. Rent expense is recognized using the straight-line method over the term of the lease. The Company records deferred rent calculated as the difference between rent expense and the cash rental payments.

Rent expense under the lease agreements for the years ended December 31, 2018 and 2019 was $202,501 and $332,443, respectively. The Company also leases certain equipment under operating leases expiring in 2024. Future minimum commitments under all lease agreements are as follows:

Years ending December 31,	Amount
2020	$ 572,623
2021	596,623
2022	623,503
2023	682,003
2024	600,551
	$ 3,075,303

Indemnification

In the normal course of business, the Company enters into contracts and agreements that contain a variety of representations and warranties and may provide for general indemnifications. The Company's exposure under these agreements is unknown because it involves claims that may be made against the Company in the future but have not yet been made. To date, the Company has not been subject to any claims or required to defend any action related to its indemnification obligations.

The Company's amended and restated certificate of incorporation contains provisions limiting the liability of directors, and its amended and restated bylaws provide that the Company will indemnify each of its directors to the fullest extent permitted under Delaware law. The Company's amended and restated certificate of incorporation and amended and restated bylaws also provide its board of directors with discretion to indemnify its officers and employees when determined appropriate by the board. In addition, the Company has entered and expects to continue to enter into agreements to indemnify its directors and executive officers.

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Legal Proceedings

From time to time, the Company may become involved in legal proceedings arising out of the ordinary course of its business. Management is currently not aware of any matters that will have a material adverse effect on the financial position, results of operations or cash flows of the Company.

7. Concentrations

All the Company's revenues are derived from the sale of catheter-based therapeutic devices in the United States. For the years ended December 31, 2018 and 2019, there were no customers which accounted for more than 10% of the Company's revenue. There were no customers which accounted for more than 10% of the Company's accounts receivable as of December 31, 2018 and 2019.

No vendor accounted for more than 10% of the Company's purchases for the years ended December 31, 2018 and 2019. Three vendors each made up 13% to 14% of accounts payable as of December 31, 2018. There were no vendors which accounted for more than 10% of the Company's accounts payable as of December 31, 2019.

8. Related Party

Purchased Development Services

Certain shareholders of the Company are shareholders of Inceptus Medical, Inc. ("Inceptus"). Beginning in September 2011, the Company engaged Inceptus to develop the technology that has led to certain components used in the Company's products, the FlowTriever and the ClotTriever systems. Inceptus charges the Company monthly for the cost of its employees engaged in development activities for the Company. In October 2014, the Company, through a license agreement with Inceptus, obtained an exclusive, perpetual, fully paid-up irrevocable, worldwide license to the patents, patent applications and technology, including the right to grant and authorize sublicenses, to make, have made, use, sell, offer for sale, import and otherwise exploit products in connection with the licensed technology. The licensed technology is any and all technology involving a high wire count braid, excluding the tubular braiding subject to the sublicense agreement described below.

Included in prepaid expenses and other current assets was a non-interest-bearing retainer paid by the Company to Inceptus of $275,553 as of December 31, 2018. The retainer was applied to amounts owed by the Company to Inceptus at a time mutually agreed to by both parties. For the years ended December 31, 2018 and 2019, the Company incurred development expenses with Inceptus of $16,436 and $27,664, respectively, which were applied against the balance of the retainer and included in research and development expense. The Company did not make any payments to Inceptus during the years ended December 31, 2018 and 2019. In December 2019, Inceptus repaid in full to the Company the outstanding balance of the retainer of $247,889.

Sublicense Agreement

In August 2019, the Company entered into a sublicense agreement with Inceptus, pursuant to which Inceptus granted to the Company a non-transferable, worldwide, exclusive sublicense to its licensed intellectual property rights related to the tubular braiding for the non-surgical removal of clots and treatment of embolism and thrombosis in human vasculature other than carotid arteries, coronary vasculature and cerebral vasculature; such rights were originally granted to Inceptus pursuant to an intellectual property license agreement with Drexel University, or Drexel License, under which Drexel retained certain rights to use, and to permit other

non-commercial entities to use, the sublicensed intellectual property for educational and non-commercial research purposes. The Company is obligated to comply with, and to avoid acts or omissions that would reasonably be likely to cause a breach of the Drexel License. The sublicense agreement will continue until the expiration of the sublicensed patent, unless terminated earlier pursuant to the terms of the agreement. The Company may terminate the sublicense agreement at any time by providing prior written notice.

In connection with the sublicense agreement, the Company paid Inceptus $139,222 for the reimbursement of expenses, milestone and administration fees. The Company is required to pay an ongoing quarterly administration fee of $18,000, which will increase to $29,250 per quarter upon a change of control event or the completion of an initial public offering by the Company. Additionally, the Company is obligated to pay Inceptus an ongoing royalty ranging from 1% to 1.5% of the net sales of products utilizing the licensed intellectual property, subject to a minimum royalty quarterly fee of $1,500. For the year ended December 31, 2019, the Company recorded royalty expense of $102,811, which is included in cost of goods sold.

Other Services

The Company utilizes MRI The Hoffman Group, a recruiting services company owned by the brother of the Chief Executive Officer and President and member of the board of directors of the Company. For the years ended December 31, 2018 and 2019, the Company paid $90,000 and $380,000, respectively, for recruiting services provided by MRI The Hoffman Group. No amounts were due to MRI The Hoffman Group at December 31, 2018 and 2019.

9. Debt

The Company had the following outstanding debt, net of deferred financing costs and discounts, as of December 31, 2018 and 2019:

	2018	2019
Term loan	$ 10,000,000	$ 15,000,000
Revolving line of credit	—	5,000,000
Final payment fee	140,000	150,000
Total notes payables	10,140,000	20,150,000
Unamortized discount and deferred financing costs	(303,590)	(669,316)
Notes payable	$ 9,836,410	$ 19,480,684

Term Loan

In April 2016, the Company entered into a term loan agreement with East West Bank (the “EWB Loan”). The EWB Loan was available in two tranches of $5 million each, both of which have been drawn down by the Company. The original term was 48 months and interest were payable monthly at the Prime Rate plus 2.50%. Principal repayment was to begin on April 1, 2018. A facility fee of $100,000 was paid in April 2017 and a 1.5% final payment fee was payable at maturity. The EWB Loan was secured by substantially all the assets of the Company. The EWB Loan called for 256,410 Series B Preferred Stock warrants to be issued with a strike price of $1.17 per share. The warrants expire in ten years. The fair value of the warrants of $158,167 was determined using the Black Scholes model at the time of their issuance and was recorded as a debt discount, amortized to interest expense over the life of the loan.

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In March 2018, The Company refinanced its EWB Loan into a new term loan (the "Term Loan") with East West Bank. The outstanding principal balance of the Term Loan remained unchanged at $10 million, however, the maturity date was extended to March 2022 and the interest only period was extended an additional 24 months to March 2020. The Term Loan provided for two additional six-month interest only periods beyond the initial interest only period, earned based on the achievement of certain revenue milestones, for a total potential interest only period of 36 months. The total loan term is 48 months, with principal repayable monthly when the interest only period ends. Interest was payable monthly at the Prime Rate plus 2.50% (8.00% as of December 31, 2018). In conjunction with the refinance, the Company paid a facility fee of $100,000 and a 1.4% final payment fee was payable at maturity. The Company also paid East West Bank half of the original 1.5% final payment fee due under the EWB Loan or $75,000. The remaining half of the original final payment due under the EWB Loan was forgiven by East West Bank. The Term Loan was secured by substantially all the assets of the Company, including intellectual property under certain conditions, and subject to certain reporting and financial covenants.

The Company accounted for the refinance of the EWB Loan to the Term Loan as a modification of debt. Accordingly, no gains or losses were recorded on the refinance for the year ended December 31, 2018 and the Company capitalized additional debt finance costs of $165,000 and expensed $132,732 of fees paid by the Company to third parties. As further described below, in December 2019, the Company repaid the Term Loan in full and recorded a loss on extinguishment of debt of $205,166 for the year ended December 31, 2019, which is included in other expenses in the statement of operations.

Credit Facility

In December 2019, the Company entered into a $40 million credit facility with Signature Bank (the "SB Credit Facility") and concurrently repaid and extinguished the Term Loan with East West Bank. The SB Credit Facility consists of a term loan of up to $25 million and a revolving line of credit of $15 million. The term loan is available in two tranches: a $15 million tranche that was fully funded on the closing date, and a $10 million tranche to be available through December 2020 subject to the Company's achievement of at least $60 million of trailing 12-month revenue no later than August 2020. The Company used part of the proceeds from the first tranche to fully repay the $10 million Term Loan with East West Bank.

The maturity date of the new term loan is in December 2024. Under the agreement, the Company is required to make monthly interest payments through December 2021, subject to two six-month extensions to the interest-only period, which are available following the achievement of specified revenue milestones. The first extension is available upon the achievement by the Company of $100 million of trailing 12-month revenue within the initial interest-only period, and the second extension is available upon the achievement of $113 million of trailing 12-month revenue no later than June 30, 2022. Together, these extensions provide for a potential interest only-period of 36 months, through December 2022. The term loan bears interest at an annual rate equal to the greater of 5.50% or the Prime Rate plus 0.50%. Following the expiration of the interest-only period or any extension thereof, the Company will be required to repay the term loan in equal monthly installments of principal plus interest through maturity.

Under the revolving line of credit, the Company may borrow, repay and re-borrow up to 80% of eligible accounts receivable up to a maximum of $15 million. The maturity date of the revolving line of credit is in December 2022 and can be extended to December 2024 if the Company is able to raise at least $75 million in gross proceeds from an initial public offering. The Company is required to make monthly payments of interest only through maturity of the revolving line of credit, at which point the entire principal balance is due. The revolving line of credit bears interest at an annual rate equal to the greater of 5.00% or the prime rate.

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The Company paid a facility fee of $50,000 at time of closing and a final payment fee of 1.0% of the funded term loan amount will be payable at maturity, for which the Company recorded $150,000 as a liability as of December 31, 2019. The Company also paid a placement fee of $362,500 to a broker and approximately $124,000 in legal and other fees directly attributable to the new facility. The SB Credit Facility is secured by substantially all the Company's assets, excluding intellectual property. The SB Credit Facility includes a double negative pledge on the Company's intellectual property. The Company may prepay the SB Credit Facility at any time without any penalty or premium. The SB Credit Facility agreement contains minimum revenue financial covenants, measured monthly, which require the Company to achieve trailing 12-month revenues of $40 million no later than December 31, 2019 with incremental monthly increases to $60 million no later than December 31, 2020. Minimum revenue covenant levels will be set annually during the term of the SB Credit Facility by mutual agreement based on the Company's annual forecast. The Company was in compliance with all debt covenants as of December 31, 2019.

Maturities of the SB Credit Facility, including the 1.0% final payment fee, are as follows:

Years ending December 31,	Amount
2020	$ —
2021	416,667
2022	10,000,000
2023	5,000,000
2024	4,733,333
Total future payments	20,150,000
Unamortized discount and deferred financing costs	(669,316)
Note payable	$ 19,480,684

Deferred Financing Costs

Costs incurred directly related to debt are presented as a reduction of the related debt instrument and amortized over the life of the related loan on an effective interest method as follows as of December 31, 2018 and 2019:

	2018	2019
Deferred financing costs	$320,555	$686,364
Accumulated amortization	(68,690)	(17,048)
Unamortized deferred financing costs	251,865	669,316
Unamortized discount	51,725	—
Unamortized discount and deferred financing costs	$303,590	$669,316

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10. Redeemable Convertible Preferred Stock

Redeemable convertible preferred stock ("convertible preferred stock") consists of the following as of December 31, 2018 and 2019:

	Shares Authorized	Shares Issued and Outstanding	Net Carrying Value	Liquidation Value
Series A	8,995,000	8,885,000	$ 8,777,570	$ 8,885,000
Series B	16,094,016	15,837,606	18,473,819	18,529,999
Series C	20,928,610	20,928,610	26,918,844	27,000,000
Total	46,017,626	45,651,216	$ 54,170,233	$ 54,414,999

In March 2018, the Company issued 20,928,610 shares of Series C Preferred Stock at a price of $1.2901 per share for total gross proceeds of $27 million.

The Company records convertible preferred stock at fair value on the dates of issuance, net of issuance costs. As of December 31, 2018 and 2019, the Company classified its Series A, Series B, and Series C convertible preferred stock outside of stockholders' deficit as mezzanine equity because, the holders of redemption rights that are not within the Company's control and in the event of certain "liquidation events" that are not solely within the control of the Company (including liquidation, sale or transfer of control of the Company), the shares would become redeemable at the option of the holders. As of December 31, 2018 and 2019, the Company has not adjusted the carrying values of the convertible preferred stock to their deemed liquidation values of such shares since a liquidation event was not probable at the balance sheet date. Subsequent adjustments to increase or decrease the carrying values to the ultimate liquidation values will be made if and when it becomes probable that such a liquidation event will occur.

Voting Rights

Each share of convertible preferred stock has a number of votes equal to the number of shares of common stock into which it is convertible. The holders of the Series A preferred stock, voting as a separate class, have the right to elect two directors to the Company's board of directors (the "Board") so long as at least 500,000 shares of Series A preferred stock are outstanding. The holders of the Series B, voting as separate a class, have the right to elect one director to the Company's Board, so long as at least 500,000 shares of Series B preferred stock are outstanding. The holders of the Series C, voting as separate a class, have the right to elect one director to the Company's Board, so long as at least 500,000 shares of Series C preferred stock are outstanding. The holders of the common stock, voting as a separate class, have the right to elect three members to the Board. Any other members of the Company's Board shall be elected by both (i) the holders of convertible preferred stock, voting as a separate class and on an as-converted basis, and (ii) the holders of common stock, voting as a separate class.

Dividend Rights

The convertible preferred stockholders are entitled to receive dividends at an annual rate of $0.08 per share of Series A, $0.0936 per share of Series B, and $0.1032 per share of Series C (each adjusted to reflect subsequent recapitalizations). Such dividends are payable out of funds legally available, are payable only when and if declared by the Company's Board and are noncumulative. No dividends may be paid on the common stock during any fiscal year unless any declared dividends on convertible preferred stock have been paid. After the payment of these dividends, any dividends declared by the Company's Board out of funds legally available shall be shared equally among all outstanding shares on an as-converted basis. As of December 31, 2019, no dividends have been declared or paid to date.

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Liquidation Rights

In the event of any liquidation, dissolution or winding-up of the Company, the liquidation preference is first to Series C preferred stock holders, the amount of their original issue price of $1.2901 per share, plus declared but unpaid dividends, next to Series B Preferred Stock holders and Series A Preferred Stock holders, pari passu, the amount of their respective original issue price of $1.17 and $1.00, plus declared but unpaid dividends. The preferred shareholders have a participation right of $3.00 per share for the Series A and Series B Preferred Stock, and $3.8703 per share for the Series C Preferred Stock. The preferred shareholders are entitled to the greater of this participation right or the proceeds distributed pro rata as if the preferred stock had converted to common stock at the inception of any liquidation payouts.

Optional Conversion Rights

Each share of Series A, Series B and Series C convertible preferred stock is convertible at the option of the holder into the number of shares of common stock determined by dividing the original issue price by the applicable conversion price. The original issue price per share and initial conversion price per share is $1.00 for Series A, $1.17 for Series B and $1.2901 for Series C convertible preferred stock. The conversion price per share for the convertible preferred stock shall be adjusted for certain recapitalizations, splits, combinations, common stock dividends or as set forth in the Company's amended and restated certificate of incorporation. At December 31, 2018 and 2019, none of the preferred stock has been converted to common stock.

Automatic Conversion Rights

Each share of convertible preferred stock shall automatically be converted into shares of common stock at the then effective conversion rate for such share upon the earlier of (i) immediately prior to the closing of a firm commitment underwritten initial public offering pursuant to an effective registration statement filed under the Securities Act of 1933, as amended (the "Securities Act"), covering the offer and sale of the Company's common stock, provided that the offering price per share is not less than $3.8703 (as adjusted for recapitalizations) and the aggregate gross proceeds to the Company are not less than $40.0 million, or (ii) upon the receipt by the Company of a written request for such conversion from a) with respect to the Series C preferred stock, a majority of the holders and b) with respect to the Series A and Series B preferred stock, at least two third of the holders voting as a single class, or, if later, the effective date for conversion specified in such requests. The conversion prices and rates for each series of convertible preferred stock are the same in the event of an automatic conversion as they would be in the event of an optional conversion.

Redemption Rights

The holders of at least two-thirds of the then outstanding shares of Series A convertible preferred stock, Series B convertible preferred stock, and Series C convertible preferred stock (voting together as a single class and on an as-converted basis) may request, in writing, and any time after five years from the date of first issuance of the Series C preferred stock (i.e., five years from March 28, 2018), the redemption of all outstanding shares of convertible preferred stock. The Company shall, upon such written request, redeem all outstanding shares in three equal annual installments beginning on the date specified in the redemption request, which date may not be less than 90 days after the Company's receipt of such request. The redemption price shall be the original issue price of the convertible preferred stock plus an amount for all declared and unpaid dividends thereon.

INARI MEDICAL, INC.

NOTES TO FINANCIAL STATEMENTS

11. Stockholder's Deficit

Authorized Stock

In March 2018, the Company's authorized capital was amended to issue 106,017,626 shares of stock, consisting of 60,000,000 shares of common stock, par value $0.001 per share, and 46,017,626 shares of Preferred Stock, par value $0.001 per share, 8,995,000 of which are designated Series A Preferred Stock, 16,094,016 of which are designated Series B Preferred Stock and 20,928,610 of which are designated Series C Preferred Stock.

In July 2019, the Company's authorized capital was further amended to 116,017,626 shares of stock, consisting of 70,000,000 shares of common stock, par value $0.001 per share, and 46,017,626 shares of Preferred Stock, par value $0.001 per share, 8,995,000 of which are designated Series A Preferred Stock, 16,094,016 of which are designated Series B Preferred Stock and 20,928,610 of which are designated Series C Preferred Stock.

Warrants

The Company has issued common stock warrants to a placement agent in connection with equity fundraising and redeemable convertible preferred stock warrants to banks in connection with debt.

Warrants issued and outstanding as of December 31, 2018 and 2019:

	Warrants Outstanding		
	Number of warrants	Exercise Price	Expiration
Common stock warrants	39,713	$ 0.10	10/19/2025
Series A redeemable convertible preferred stock warrants	110,000	$ 1.00	12/10/2021
Series B redeemable convertible preferred stock warrants	256,410	$ 1.17	4/28/2026 - 3/30/2027
Total redeemable convertible preferred stock warrants	366,410		
Total outstanding warrants	406,123		

The Series A and Series B redeemable convertible preferred stock warrants allow the holders to obtain shares of redeemable convertible preferred stock that contain a liquidation preference. Because this liquidation preference may be payable in cash upon a change in control of the Company or upon exercise of redemption rights and because such a transaction is considered to be outside of the control of the Company, these warrants have been classified as liabilities on the accompanying balance sheets and are presented at their estimated fair values at each reporting date.

The fair value of the redeemable convertible preferred stock warrants was determined using the Black Scholes option pricing model with the following assumptions:

	December 31, 2018		December 31, 2019	
	Series A	Series B	Series A	Series B
Expected volatility	63.20%	60.60%	41.40%	39.80%
Preferred stock fair value (per share)	$ 1.01	$ 1.09	$ 4.12	$ 4.16
Dividend yield	—	—	—	—
Risk free interest rates	2.46%	2.59%	1.58%	1.83%
Expected remaining term in years	2.95	7.33 - 8.25	1.95	6.33 - 7.25

INARI MEDICAL, INC.

NOTES TO FINANCIAL STATEMENTS

12. Subscription Receivable

As of December 31, 2018, the Company had issued secured full recourse promissory notes with outstanding principal balances totaling $734,578 to certain employees to finance their exercise of common stock options. The notes bore interest at 2% per year. Principal and interest were payable at the earlier of seven years from the issuance date, at the time of the employee's termination of service or at the time the Company sells its shares. These notes were accounted for as recourse notes, resulting in a subscription receivable being recorded as a reduction of stockholders' equity at the time of issuance of the common stock and exercise of the options. Recourse note holders early exercised unvested options. A restricted stock purchase agreement was entered into concurrently with the recourse note agreement to allow the Company to repurchase common stock pertaining to any unvested shares at the time employment is terminated for any reason. The Company's repurchase right expires within 90 days of the employee's termination date. During the fourth quarter of 2019, all outstanding principal and accrued interest in the aggregate amount of $772,687 was repaid to the Company by the employees and there was no amount outstanding under the recourse notes as of December 31, 2019.

13. Equity Incentive Plan

In 2011, the Company adopted the 2011 Equity Incentive Plan (the Plan) to permit the grant of share-based awards, such as stock grants and incentives and non-qualified stock options to employees, directors, consultants and advisors. The Board has the authority to determine to whom awards will be granted, the number of shares, the term and the exercise price. Awards granted under the Plan have a term of 10 years and generally vest over a four-year period with a straight-line vesting and a 25% one-year cliff. As of December 31, 2019, a total of 15,738,552 of shares of the Company's common stock were reserved for issuance under the Plan, of which 716,950 were available for grant.

Stock Options

A summary of stock option activity for the years ended December 31, 2018 and 2019 is as follows:

	Number of Awards	Weighted Average Exercise Price	Weighted Average Fair Value	Weighted Average Remaining Contractual Life (in years)	Aggregate Intrinsic Value
Outstanding, December 31, 2017	2,402,868	$ 0.21	$ 0.17	8.22	$ 29,130
Granted	2,754,379	0.30	0.25		
Exercised	(1,192,907)	0.22	0.18		
Cancelled	(125,000)	0.22	0.18		
Outstanding, December 31, 2018	3,839,340	0.27	0.22	8.95	$ 189,543
Granted	2,715,975	1.04	0.84		
Exercised	(585,388)	0.22	0.18		
Cancelled	(140,188)	0.28	0.23		
Outstanding, December 31, 2019	5,829,739	$ 0.63	$ 0.52	8.76	$22,661,530
Vested and exercisable at December 31, 2019	1,488,440	$ 0.28	$ 0.25	7.92	$ 6,305,806
Vested and expected to vest at December 31, 2019	5,829,739	$ 0.63	$ 0.52	8.76	$22,661,530

INARI MEDICAL, INC.

NOTES TO FINANCIAL STATEMENTS

The aggregate intrinsic values of options outstanding, vested and exercisable, and vested and expected to vest were calculated as the difference between the exercise price of the options and the estimated fair value of the Company's common stock, as determined by the Board, as of December 31, 2018 and 2019. The aggregate intrinsic value of options exercised was $96,178 and $560,203 for years ended December 31, 2018 and 2019, respectively.

The fair value of each option grant was estimated on the date of grant using the Black-Scholes option pricing model with the following assumptions for the years ended December 31, 2018 and 2019:

	2018	2019
Expected volatility	109.10%	53.5% - 93.4%
Weighted-average volatility	109.10%	83.24%
Common stock fair value (per share)	$ 0.22 - $0.30	$ 0.41 - $4.31
Dividend yield	—	—
Risk free interest rates	2.63% - 3.00%	1.67% - 2.44%
Expected term in years	6.01 - 6.06	5.02 - 7.00

Expected volatility—Since the Company does not have sufficient stock price history to estimate the expected volatility of its shares, the expected volatility is calculated based on the average volatility for a peer group in the industry in which the Company does business.

Common Stock fair value—The fair value of the Company's common stock is determined by the board of directors with assistance from management. The board of directors determines the fair value of common stock by considering independent valuation reports and a number of objective and subjective factors, including valuations of comparable companies, sales of convertible preferred stock, operating and financial performance, the lack of liquidity of the Company's common stock and the general and industry-specific economic outlook.

Dividend yield of zero—The Company has not declared or paid dividends.

Risk-free interest rates—The Company applies the risk-free interest rate based on the US Treasury yield for the expected term of the option.

Expected term—The Company calculated the expected term as the average of the contractual term of the option and the vesting period for its employee stock options.

The Company uses its historical rate of cancelled or expired unvested shares since inception of the plan as the expected forfeiture rate.

Total compensation cost for share-based payment arrangements recognized for the years ended December 31, 2018 and 2019 was as follows:

	Years Ended December 31,	
	2018	2019
Cost of goods sold	$ 1,958	$ 52,298
Research and development	70,276	99,034
Selling, general and administrative	175,512	353,468
	$ 247,746	$ 504,800

INARI MEDICAL, INC.

NOTES TO FINANCIAL STATEMENTS

Total compensation costs as of December 31, 2018 and 2019 related to non-vested awards to be recognized in future periods was $811,318 and $2,325,739, respectively, and is expected to be recognized over the weighted average period of 3.1 and 3.32 years, respectively.

Restricted Stock Units

In March 2019, the Company granted 4,094,552 restricted stock unit awards (RSUs) to certain employees that vest only upon the satisfaction of both a time-based service condition and a performance-based condition. The time-based service condition for these awards generally is satisfied over four years. The performance-based condition is a liquidity event requirement which will be satisfied as to any then-outstanding RSUs on the first to occur of: (1) a change in control ("Sale Event"); or (2) the effective date of an initial public offering of the Company's common stock (IPO). The RSUs vest on the first date upon which both the service-based and performance-based requirements are satisfied. If the RSUs vest, the actual number of RSUs that will vest will be dependent on the per share value of the Company's common stock, which is a market-based condition, determined based on 1) if after a Sale Event, the per share value of the Company's common stock based on the sale transaction, or 2) if after an IPO, the average closing price of the Company's common stock for the three-month period immediately preceding the satisfaction of the service condition.

The probabilities of the actual number of RSUs expected to vest are reflected in the grant date fair values, and the compensation expense for these awards will be recognized assuming the requisite service period is rendered, and only if the performance-based condition is considered probable to be satisfied.

The estimated fair value of these RSUs were determined on the date of grant using the Monte Carlo simulation model, which utilizes multiple input variables to simulate a range of our possible future equity values and estimates the probabilities of the potential payouts. The determination of the estimated grant date fair value of these RSUs is affected by our equity valuation and a number of assumptions including our future estimated enterprise value, our risk-free interest rate, expected volatility and dividend yield. The following assumptions were used to calculate the fair value of these options and restricted stock units in the Monte Carlo simulation model at the grant date:

	Year ended December 31, 2019
Expected terms (in years)	4.00%
Expected volatility	50.0%
Dividend yield	0.00%
Risk free interest rate	2.41%

As of December 31, 2019, the Company concluded that the liquidity event performance condition described above for the RSUs is not considered probable of being satisfied. As a result, the Company has not recognized any compensation cost to date for any RSUs granted. In the period in which the Company's liquidity event is probable, the Company will record a cumulative one-time stock-based compensation expense determined using the grant-date fair values. Stock-based compensation related to remaining time-based service after the qualifying event will be recorded over the remaining requisite service period. The total unrecognized stock-based compensation expense relating to these awards as of December 31, 2019 was $487,400.

INARI MEDICAL, INC.

NOTES TO FINANCIAL STATEMENTS

14. Income Taxes

Deferred income taxes reflect the net tax effects of (a) temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for income tax purposes, and (b) operating losses and tax credit carryforwards.

The tax effects of significant items comprising the Company's deferred taxes as of are as follows:

	Year Ended December 31, 2018	Year Ended December 31, 2019
Deferred tax assets		
Inventory	$ 49,022	$ 170,048
Intangible asset basis	2,099,784	1,810,356
Accrued vacation	74,358	202,616
NOLs and capital loss carryforwards	8,193,534	8,179,777
Credit carryforwards	1,126,132	1,408,620
Other	23,229	355,364
Total deferred tax assets	$ 11,566,059	$ 12,126,781
Deferred tax liabilities		
Fixed asset basis	$ (19,879)	$ (349,213)
Other liabilities	(4,448)	(21,202)
Total deferred tax liabilities	$ (24,327)	$ (370,415)
Valuation allowance	$ (11,541,732)	$ (11,756,366)
Net deferred taxes losses and tax credit carryforwards	—	—

ASC 740 requires that the tax benefit of net operating losses ("NOLs"), temporary differences and credit carryforwards be recorded as an asset to the extent that management assesses that realization is "more likely than not." Realization of the future tax benefits is dependent on the Company's ability to generate sufficient taxable income within the carryforward period. Management believes that recognition of the deferred tax assets arising from the above-mentioned future tax benefits from operating loss carryforwards is currently not likely to be realized and, accordingly, has provided a valuation allowance. The valuation allowance increased by $214,634 during 2019.

NOLs and tax credit **gross** carryforwards as of December 31, 2019 are as follows:

	Amount	Expiration Years
NOLs, federal	$ 30,545,052	See Notes below
NOLs, state	27,437,195	See Notes below
Tax credits, federal	915,982	See Notes below
Tax credits, state	1,812,301	See Notes below

INARI MEDICAL, INC.

NOTES TO FINANCIAL STATEMENTS

The effective tax rate of the Company's provision (benefit) for income taxes differs from the federal statutory rate as follows:

	Year Ended December 31, 2018	Year Ended December 31, 2019
Statutory rate	21.00%	21.00%
Permanent adjustments	(1.57%)	(16.03%)
General business credits	3.83%	12.05%
Change in valuation allowance	(23.26%)	(17.02%)
Total	— %	— %

As a result of losses incurred in the past, the Company has NOL carry-forwards that are available to offset future taxable income and subject to expiration rules and to Internal Revenue Code of 1986, as amended ("IRC") §382. In general, IRC §382 may impact the amount of NOLs that can be utilized each year after certain ownership changes occur. An ownership change occurs, generally, if the percentage of stock of the loss corporation owned by one or more 5% shareholders has increased by more than 50 percentage points relative to the lowest percentage of stock of the loss corporation owned by the same 5% shareholders at any time during the testing period (generally, the three-year period preceding a testing date).

As of December 31, 2019, the Company has $30,545,052 and $27,437,195 of Federal and state NOLs respectively, being carried over from 2011 to 2019. The NOLs begin expiring in the calendar year 2031 for Federal and state purposes. However, under the new Tax Cuts and Jobs Act, all NOLs incurred after December 31, 2017 are carried forward indefinitely for Federal tax purposes. California has not conformed to the indefinite carry forward period for NOLs.

In the ordinary course of its business the Company incurs costs that, for tax purposes, are determined to be qualified research expenditures within the meaning of IRC §41 and are, therefore, eligible for the Increasing Research Activities credit under IRC §41. The R&D credit carryforward as of December 31, 2019 is $915,982 and $1,812,301 for Federal and California, respectively. R&D credit carryovers are limited under IRC §383 to $0.3M a year. The R&D credit carryforwards begin expiring in the calendar year 2021 for federal purposes. The Company has adjusted the deferred tax assets related to Federal R&D credit carryover to account for any expiring tax credits.

On December 22, 2017, the Tax Cuts and Jobs Act was enacted into law. Among numerous provisions included in the new law was the reduction of the corporate federal income tax rate from 35% to 21% effective January 1, 2018. During the year ended December 31, 2018, the Company applied the newly enacted corporate federal income tax rate to the remeasurement of U.S. deferred tax assets and liabilities resulting in a tax benefit of approximately $3.75 million. The decrease in net deferred tax liabilities was reasonably estimated and based on the tax rates at which they are expected to reverse in the future.

INARI MEDICAL, INC.

NOTES TO FINANCIAL STATEMENTS

As of December 31, 2019, the Company has total uncertain tax positions of $1,091,313 related to R&D Credit, which is recorded as a reduction of the deferred tax asset related credit carryforwards. No interest or penalties have been recorded related to the uncertain tax positions. A reconciliation of the beginning and ending balances of unrecognized tax benefits is as follows:

	Year ending December 31, 2018	Year ending December 31, 2019
Balance at the beginning of the year	$ 559,916	$ 859,043
Additions based on tax positions related to prior years	—	—
Deductions based on tax positions related to prior years	—	(225,648)
Additions based on tax positions related to the current year	299,127	457,918
Balance at the end of the year	$ 859,043	$ 1,091,313

It is not expected that there will be a significant change in uncertain tax position in the next 12 months. The Company is subject to U.S. federal and state income tax as well as to income tax in multiple state jurisdictions, and various foreign jurisdictions. In the normal course of business, the Company is subject to examination by tax authorities. As of the date of the financial statements, there are no tax examinations in progress. The statute of limitations for tax years ended after December 31, 2015 and December 31, 2016 are open for state and federal tax purposes, respectively.

15. Retirement Plan

In December 2017, the Company adopted the Inari Medical, Inc. 401(k) Plan which allows eligible employees after one month of service to contribute pre-tax and Roth contributions to the plan, as allowed by law. The plan assets are held by Vanguard and the plan administrator is Ascensus. The Company does not currently fund matching contributions.

16. Net Loss Per Share

The following outstanding potentially dilutive common stock equivalents have been excluded from the calculation of diluted net loss per share for the period presented due to their anti-dilutive effect:

	Year Ended December 31, 2018	Year Ended December 31, 2019
Redeemable convertible preferred stock	45,651,216	45,651,216
Common stock options	3,839,340	5,829,739
RSUs	—	4,094,552
Restricted stock subject to future vesting	1,149,968	567,200
Convertible preferred stock warrants	366,410	366,410
Common stock warrants	39,713	39,713
	51,046,647	56,548,830

17. Subsequent Events

Management has evaluated subsequent events through February 21, 2020, the date the financial statements were available to be issued.

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Through and including , 2020, (the 25th day after the date of this prospectus), all dealers effecting transactions in the Common Stock, whether or not participating in this offering, may be required to deliver a prospectus. This delivery requirement is in addition to a dealer's obligation to deliver a prospectus when acting as an underwriter and with respect to an unsold allotment or subscription.

Shares

Common Stock

PROSPECTUS

BofA Securities

Morgan Stanley

Canaccord Genuity

Wells Fargo Securities

, 2020

PART II

INFORMATION NOT REQUIRED IN PROSPECTUS

Item 13. Other Expenses of Issuance and Distribution.

The following table indicates the expenses to be incurred in connection with the offering described in this registration statement, other than underwriting discounts and commissions, all of which will be paid by us. All amounts are estimated except the Securities and Exchange Commission registration fee, the Financial Industry Regulatory Authority, Inc., or FINRA, filing fee and the Nasdaq Global Market listing fee.

	Amount
Securities and Exchange Commission registration fee	$ 12,980
FINRA filing fee	15,500
Nasdaq Global Market listing fee	*
Accountants' fees and expenses	*
Legal fees and expenses	*
Blue Sky fees and expenses	*
Transfer Agent's fees and expenses	*
Printing and engraving expenses	*
Miscellaneous	*
Total expenses	$ *

* To be filed by amendment.

Item 14. Indemnification of Directors and Officers.

The Registrant is governed by the Delaware General Corporation Law, or DGCL. Section 145 of the DGCL provides that a corporation may indemnify any person, including an officer or director, who was or is, or is threatened to be made, a party to any threatened, pending or completed legal action, suit or proceeding, whether civil, criminal, administrative or investigative (other than an action by or in the right of such corporation), by reason of the fact that such person was or is an officer, director, employee or agent of such corporation or is or was serving at the request of such corporation as a director, officer, employee or agent of another corporation or enterprise. The indemnity may include expenses (including attorneys' fees), judgments, fines and amounts paid in settlement actually and reasonably incurred by such person in connection with such action, suit or proceeding, provided such officer, director, employee or agent acted in good faith and in a manner such person reasonably believed to be in, or not opposed to, the corporation's best interest and, for criminal proceedings, had no reasonable cause to believe that such person's conduct was unlawful. A Delaware corporation may indemnify any person, including an officer or director, who was or is, or is threatened to be made, a party to any threatened, pending or contemplated action or suit by or in the right of such corporation, under the same conditions, except that such indemnification is limited to expenses (including attorneys' fees) actually and reasonably incurred by such person, and except that no indemnification is permitted without judicial approval if such person is adjudged to be liable to such corporation. Where an officer or director of a corporation is successful, on the merits or otherwise, in the defense of any action, suit or proceeding referred to above, or any claim, issue or matter therein, the corporation must indemnify that person against the expenses (including attorneys' fees) which such officer or director actually and reasonably incurred in connection therewith.

The Registrant's amended and restated certificate of incorporation and amended and restated bylaws will authorize the indemnification of its officers and directors, consistent with Section 145 of the DGCL.

Reference is made to Section 102(b)(7) of the DGCL, which enables a corporation in its original certificate of incorporation or an amendment thereto to eliminate or limit the personal liability of a director for

violations of the director's fiduciary duty, except (i) for any breach of the director's duty of loyalty to the corporation or its stockholders, (ii) for acts or omissions not in good faith or which involve intentional misconduct or a knowing violation of law, (iii) pursuant to Section 174 of the DGCL, which provides for liability of directors for unlawful payments of dividends of unlawful stock purchase or redemptions or (iv) for any transaction from which a director derived an improper personal benefit.

We have entered into indemnification agreements with each of our directors and officers. These indemnification agreements may require us, among other things, to indemnify our directors and officers for some expenses, including attorneys' fees, judgments, fines and settlement amounts incurred by a director or officer in any action or proceeding arising out of his or her service as one of our directors or officers, or any of our subsidiaries or any other company or enterprise to which the person provides services at our request.

We maintain a general liability insurance policy that covers certain liabilities of directors and officers of our corporation arising out of claims based on acts or omissions in their capacities as directors or officers.

In any underwriting agreement we enter into in connection with the sale of common stock being registered hereby, the underwriters will agree to indemnify, under certain conditions, us, our directors, our officers and persons who control us within the meaning of the Securities Act against certain liabilities.

Item 15. Recent Sales of Unregistered Securities.

Since January 1, 2016, we have issued and sold the following securities:

1. In March 2018, we completed the sale of an aggregate of 20,928,610 shares of our Series C convertible preferred stock to certain investors at a purchase price of $1.2901 per share, for an aggregate purchase price of approximately $27.0 million. All of our shares of Series C convertible preferred stock will convert into shares of our common stock immediately prior to the closing of our initial public offering.

2. In April 2016, we issued a warrant to purchase 128,205 shares of our Series B convertible preferred stock to East West Bank at an exercise price of $1.17 per share. Pursuant to the terms of the warrant, on March 31, 2017, the number of shares for which this warrant can be exercised was automatically increased to 256,410 shares upon the extension of credit under a loan and security agreement with East West Bank.

3. Since January 1, 2016, we have granted stock options to employees, directors and consultants, covering an aggregate of 8,753,795 shares of our common stock under our 2011 Equity Incentive Plan, at exercise prices ranging from $0.22 to $6.34 per share, and have issued 5,062,936 shares of common stock upon exercise of stock options under our 2011 Equity Incentive Plan with an aggregate exercise price of $944,561.

4. In March 2019, we issued restricted stock units, or RSUs, to employees representing an aggregate of 4,094,552 shares of common stock under our 2011 Equity Incentive Plan. Our outstanding RSUs vest upon the satisfaction of a time-based condition and a service-based condition and the completion of an initial public offering or sale event. The time-based condition is satisfied on the fourth anniversary of the date of grant of the RSU, subject to continued service through the vesting date. This offering will satisfy the requirement for an initial public offering or sale event. On the vesting date of the RSUs, the recipient is entitled to receive one share of common stock for every RSU that vests.

Unless otherwise stated, the issuances of the above securities were deemed to be exempt from registration under the Securities Act in reliance upon Section 4(a)(2) of the Securities Act or Regulation D

promulgated thereunder, or Rule 701 promulgated under Section 3(b) of the Securities Act as transactions by an issuer not involving any public offering or pursuant to benefit plans and contracts relating to compensation as provided under Rule 701. Individuals who purchased securities as described above represented their intention to acquire the securities for investment only and not with a view to or for sale in connection with any distribution thereof, and appropriate legends were affixed to the share certificates issued in such transactions.

None of the foregoing transactions involved any underwriters, underwriting discounts or commissions or any public offering.

Item 16. Exhibits and Financial Statement Schedules.

(a) Exhibits.

The following documents are filed as exhibits to this registration statement.

Exhibit Number	Description of Exhibit
1.1*	Form of Underwriting Agreement
3.1	Third Amended and Restated Certificate of Incorporation, as amended to date and as currently in effect
3.1.1	Corrected Certificate of Amendment of Third Amended and Restated Certificate of Incorporation, dated July 18, 2019
3.2*	Form of Amended and Restated Certificate of Incorporation, to be effective upon the completion of this offering
3.3	Bylaws, as currently in effect
3.4*	Form of Amended and Restated Bylaws, to be effective upon the completion of this offering
4.1	Form of Certificate of Common Stock
4.2	Second Amended and Restated Investors' Rights Agreement by and between Inari Medical, Inc. and certain investors, dated March 29, 2018
4.3	Warrant to purchase common stock, issued by Inari Medical, Inc. to Croton Partners, LLC, dated February 19, 2015
4.4	Warrant to purchase Series A preferred stock, issued by Inari Medical, Inc. to Silicon Valley Bank, dated December 10, 2014
4.5	Warrant to purchase Series B preferred stock, issued by Inari Medical, Inc. to East West Bank dated April 29, 2016
5.1*	Opinion of Latham & Watkins LLP
10.1*	Form of Indemnification Agreement between Inari Medical, Inc. and its directors and officers
10.2	Lease between Inari Medical, Inc. and Bake Technology Park LLC, dated March 6, 2019
10.3#	2011 Equity Incentive Plan
10.4#	Form of Stock Option Agreement pursuant to 2011 Equity Incentive Plan
10.5#	Form of Restricted Stock Unit Agreement pursuant to 2011 Equity Incentive Plan
10.6#*	2020 Incentive Award Plan and related form agreements
10.7#*	2020 Employee Stock Purchase Plan and related form agreements
10.8	Loan and Security Agreement, dated as of December 11, 2019, by and between Inari Medical, Inc. and Signature Bank

Exhibit Number	Description of Exhibit
10.9	Sublicense Agreement, dated as of August 1, 2019, by and between Inari Medical, Inc. and Inceptus Medical, LLC
10.10#	Amended and Restated Services Agreement, dated as of February 1, 2018, by and between Inari Medical, Inc. and Inceptus Medical, LLC
10.11	Amended and Restated Technology Agreement, dated as of March 2, 2018, by and between Inari Medical, Inc. and Inceptus Medical, LLC
10.12*	Form of Executive Employment Agreement
23.1	Consent of Independent Registered Public Accounting Firm
23.2*	Consent of Latham & Watkins LLP (included in Exhibit 5.1)
24.1	Power of Attorney (included on signature page)

* To be filed by amendment.
\# Indicates management contract or compensatory plan.

(b) Financial Statement Schedules. Schedules not listed above have been omitted because the information required to be set forth therein is not applicable or is shown in the financial statements or notes thereto.

Item 17. Undertakings.

The undersigned registrant hereby undertakes to provide to the underwriter, at the closing specified in the underwriting agreement, certificates in such denominations and registered in such names as required by the underwriter to permit prompt delivery to each purchaser.

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

The undersigned hereby undertakes that:

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

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

SIGNATURES

Pursuant to the requirements of the Securities Act, the registrant has duly caused this registration statement to be signed on its behalf by the undersigned, thereunto duly authorized, in the City of Irvine, State of California, on this 21st day of February, 2020.

INARI MEDICAL, INC.

By: /s/ William Hoffman
William Hoffman
Chief Executive Officer and President

SIGNATURES AND POWER OF ATTORNEY

We, the undersigned officers and directors of Inari Medical, Inc., hereby severally constitute and appoint William Hoffman and Mitchell Hill, and each of them singly (with full power to each of them to act alone), our true and lawful attorneys-in-fact and agents, with full power of substitution and resubstitution in each of them for him and in his name, place and stead, and in any and all capacities, to sign any and all amendments (including post-effective amendments) to this registration statement (or any other registration statement for the same offering that is to be effective upon filing pursuant to Rule 462(b) under the Securities Act of 1933), and to file the same, with all exhibits thereto and other documents in connection therewith, with the Securities and Exchange Commission, granting unto said attorneys-in-fact and agents, and each of them, full power and authority to do and perform each and every act and thing requisite or necessary to be done in and about the premises, as full to all intents and purposes as he might or could do in person, hereby ratifying and confirming all that said attorneys-in-fact and agents or any of them, or their or his substitute or substitutes, may lawfully do or cause to be done by virtue hereof.

Pursuant to the requirements of the Securities Act of 1933, this Registration Statement has been signed by the following persons in the capacities held on the dates indicated.

Signature	Title	Date
/s/ William Hoffman William Hoffman	Chief Executive Officer (principal executive officer), President and Director	February 21, 2020
/s/ Mitchell Hill Mitchell Hill	Chief Financial Officer (principal financial and accounting officer)	February 21, 2020
/s/ Donald Milder Donald Milder	Chair of the Board of Directors	February 21, 2020
/s/ Paul Lubock Paul Lubock	Director	February 21, 2020
/s/ Cynthia Lucchese Cynthia Lucchese	Director	February 21, 2020

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Signature	Title	Date
/s/ Kirk Nielsen Kirk Nielsen	Director	February 21, 2020
/s/ Geoff Pardo Geoff Pardo	Director	February 21, 2020
/s/ Jonathan Root, M.D. Jonathan Root, M.D.	Director	February 21, 2020
/s/ Robert Rosenbluth, Ph.D. Robert Rosenbluth, Ph.D.	Director	February 21, 2020
/s/ Catherine Szyman Catherine Szyman	Director	February 21, 2020

Exhibit 3.1

INARI MEDICAL, INC.

THIRD AMENDED AND RESTATED
CERTIFICATE OF INCORPORATION

Inari Medical, Inc., a corporation organized and existing under the laws of Delaware (the "**Corporation**"), certifies that:

A. The Corporation's name is Inari Medical, Inc., and that this Corporation was originally incorporated pursuant to the General Corporation Law on July 25, 2011 under the name Inceptus Newcol Inc.

B. This Third Amended and Restated Certificate of Incorporation was duly adopted in accordance with Section 242 and Section 245 of the Delaware General Corporation Law, and restates, integrates and further amends the provisions of the Second Amended and Restated Certificate of Incorporation of the Corporation.

C. The text of the Second Amended and Restated Certificate of Incorporation is amended and restated to read as set forth in EXHIBIT A.

D. Inari Medical, Inc. has caused this Third Amended and Restated Certificate of Incorporation to be signed by William H. Hoffman, a duly authorized officer of the Corporation, on March 28, 2018.

/s/ William H. Hoffman
William H. Hoffman
President and Chief Executive Officer

EXHIBIT A

ARTICLE I

The Corporation's name is Inari Medical, Inc.

ARTICLE II

The Corporation's purpose is to engage in any lawful act or activity for which corporations may be organized under the Delaware General Corporation Law.

ARTICLE III

The address of the Corporation's registered office in the State of Delaware is 1209 Orange Street, Wilmington, New Castle County, Delaware 19801. The registered agent's name at such address is The Corporation Trust Company.

ARTICLE IV

The Corporation has the authority to issue 106,017,626 shares of stock, consisting of 60,000,000 shares of Common Stock, par value $0.001 per share, and 46,017,626 shares of Preferred Stock, par value $0.001 per share, 8,995,000 of which are designated "**Series A Preferred Stock**", 16,094,016 of which are designated "**Series B Preferred Stock**", and 20,928,610 of which are designated "**Series C Preferred Stock**".

ARTICLE V

The terms and provisions of the Common Stock and Preferred Stock are as follows:

1. Definitions. For purposes of this Article V, the following definitions apply:

(a) "**Anti-Dilution Rights**" means the Conversion Price adjustment rights granted to a holder of Preferred Stock with respect to the shares of Preferred Stock held by such holder at the time of such adjustment pursuant to Section 4(d)(iv) of this Article V.

(b) "**Conversion Price**" means, individually, the Series A Conversion Price, the Series B Conversion Price or the Series C Conversion Price.

(c) "**Certificate**" means this Third Amended and Restated Certificate of Incorporation.

(d) "**Corporation**" means Inari Medical, Inc.

(e) "**Convertible Securities**" means any representations of indebtedness, shares, or other securities convertible into or exchangeable for Common Stock, but excluding Options and excluding shares of Preferred Stock.

(f) "**Distribution**" means the Corporation's transfer of cash or other property without consideration, whether by way of dividend, exchange, reclassification,

cancellation, or otherwise, payable other than in Common Stock, or the purchase or redemption of shares issued by the Corporation for cash or property, in each case other than: (i) any repurchases of Common Stock issued to or held by employees, officers, directors, or consultants of the Corporation or its subsidiaries upon termination of their employment or services pursuant to agreements providing for a repurchase right (at no more than cost), (ii) any repurchases of Common Stock issued to or held by employees, officers, directors, or consultants of the Corporation or its subsidiaries pursuant to first refusal rights contained in agreements providing for a first refusal right or contained in the Corporation's Bylaws, and (iii) any other repurchases or redemptions of the Corporation's capital stock approved by the holders of at least two-thirds of the then outstanding shares of Preferred Stock, voting as a single class on an as-converted to Common Stock basis.

(g) "**Dividend Rate**" means, (i) with respect to the Series C Preferred Stock, an annual rate equal to $0.1032 per share (subject to adjustment from time to time for Recapitalizations as set forth elsewhere in this Certificate), (ii) with respect to the Series B Preferred Stock, an annual rate equal to $0.0936 per share (subject to adjustment from time to time for Recapitalizations as set forth elsewhere in this Certificate), and (iii) with respect to the Series A Preferred Stock, an annual rate equal to $0.08 per share (subject to adjustment from time to time for Recapitalizations as set forth elsewhere in this Certificate).

(h) "**Liquidation Preference**" means, individually, the Series A Liquidation Preference, the Series B Liquidation Preference or the Series C Liquidation Preference.

(i) "**Options**" means rights or options to subscribe for, purchase, or otherwise acquire Common Stock.

(j) "**Original Issue Date**" means the date of the filing of this Certificate.

(k) "**Original Issue Price**" means, individually, the Series A Original Issue Price, the Series B Original Issue Price or the Series C Original Issue Price.

(l) "**Preferred Stock**" means, collectively, the Series C Preferred Stock, the Series B Preferred Stock and the Series A Preferred Stock.

(m) "**Purchase Agreement**" means the Series C Preferred Stock Purchase Agreement, executed by and among the Corporation and purchasers of the Series C Preferred Stock.

(n) "**Recapitalization**" means any stock dividend, stock split, share combination, reverse stock split, reorganization, recapitalization, or other reclassification affecting the Corporation's equity securities.

(o) "**Series A Conversion Price**" means $1.00 per share of Series A Preferred Stock (subject to adjustment from time to time in connection with Anti-Dilution Rights, for Recapitalizations, and as otherwise set forth in this Certificate).

(p) "**Series B Conversion Price**" means $1.17 per share of Series B Preferred Stock (subject to adjustment from time to time in connection with Anti-Dilution Rights, for Recapitalizations, and as otherwise set forth in this Certificate).

(q) "**Series C Conversion Price**" means $1.2901 per share of Series C Preferred Stock (subject to adjustment from time to time in connection with Anti-Dilution Rights, for Recapitalizations, and as otherwise set forth in this Certificate).

(r) "**Series A Liquidation Preference**" means, with respect to the Series A Preferred Stock and on a per share basis, the applicable Original Issue Price (subject to adjustment from time to time for Recapitalizations as set forth elsewhere in this Certificate) plus declared but unpaid dividends attributable to the Series A Preferred Stock.

(s) "**Series B Liquidation Preference**" means, with respect to the Series B Preferred Stock and on a per share basis, the applicable Original Issue Price (subject to adjustment from time to time for Recapitalizations as set forth elsewhere in this Certificate) plus declared but unpaid dividends attributable to the Series B Preferred Stock.

(t) "**Series C Liquidation Preference**" means, with respect to the Series C Preferred Stock and on a per share basis, the applicable Original Issue Price (subject to adjustment from time to time for Recapitalizations as set forth elsewhere in this Certificate) plus declared but unpaid dividends attributable to the Series C Preferred Stock.

(u) "**Series A Original Issue Price**" means $1.00 per share (subject to adjustment from time to time for Recapitalizations and as otherwise set forth in this Certificate).

(v) "**Series B Original Issue Price**" means $1.17 per share (subject to adjustment from time to time for Recapitalizations and as otherwise set forth in this Certificate).

(w) "**Series C Original Issue Price**" means $1.2901 per share (subject to adjustment from time to time for Recapitalizations and as otherwise set forth in this Certificate).

2. Dividends.

(a) Preferred Stock. The holders of outstanding shares of Series C Preferred Stock will be entitled to receive, when, as, and if declared by the Corporation's Board of Directors, out of any assets at the time legally available for the payment of dividends, at the applicable Dividend Rate payable in preference and priority to any declaration or payment of any Distribution on the Corporation's Series B Preferred Stock, Series A Preferred Stock or Common Stock. After the dividend payable to holders of Series C Preferred Stock, if any, has been paid in full, the holders of outstanding shares of Series B Preferred Stock and Series A Preferred Stock will be entitled to receive, on a *pari passu* basis, dividends, when, as, and if declared by the Corporation's Board of Directors, out of any assets at the time legally available for the payment of dividends, at the applicable Dividend Rate payable in preference and priority to any declaration or payment of any Distribution on the Corporation's Common Stock. No Distributions will be made with respect to the Common Stock until all declared but unpaid dividends on the Preferred Stock have been paid or set aside for payment to the Preferred Stock holders. The right to receive dividends on shares of Preferred Stock will not be cumulative, and no right to such dividends will accrue to holders of Preferred Stock by reason of the fact that dividends on such shares are not declared or paid in any year.

(b) Common Stock. No dividends will be paid on any shares of Common Stock (other than dividends payable solely in Common Stock) unless all declared but unpaid dividends on the Preferred Stock have been paid. Subject to the preceding sentence, dividends may be paid on the Common Stock and the Preferred Stock in proportion to the number of shares of Common Stock into which each share of Preferred Stock could be converted at the then effective applicable Conversion Rate (as defined in Section 4(a) of this Article V) as, when, and if declared by the Corporation's Board of Directors, subject to the prior dividend rights of the Preferred Stock and to Section 6 of this Article V. The right to receive dividends on shares of Common Stock will not be cumulative, and no right to such dividends will accrue to holders of Common Stock by reason of the fact that dividends on such shares are not declared or paid in any particular year.

(c) Non-Cash Distributions. Whenever a Distribution provided for in this Section 2 will be payable in property other than cash, the value of such property will be deemed to be the fair market value of such property as determined in good faith by the Corporation's Board of Directors.

(d) Consent to Certain Distributions. As authorized by California Corporations Code Section 402.5(c), neither California Corporations Code Section 502 nor California Corporations Code Section 503 will apply with respect to payments made by the Corporation in connection with (i) any repurchases of Common Stock issued to or held by employees, officers, directors, or consultants of the Corporation or its subsidiaries upon termination of their employment or services pursuant to agreements providing for such repurchase rights, (ii) any repurchases of Common Stock issued to or held by employees, officers, directors, or consultants of the Corporation or its subsidiaries pursuant to first refusal rights contained in agreements providing for such first refusal rights or contained in the Corporation's Bylaws, and (iii) any other repurchases or redemptions of the Corporation's capital stock approved by the holders of at least two-thirds of the then outstanding shares of Preferred Stock, voting as a single class on an as-converted to Common Stock basis.

3. Liquidation Rights.

(a) Series C Liquidation Preference. In the event of any Liquidation Event (as defined below in Section 3(d)), the holders of the then outstanding shares of Series C Preferred Stock will be entitled to receive out of net available funds and assets, before and in preference to any Distribution (or to setting apart any such funds or assets for Distribution) of any of the Corporation's net available funds and assets to the holders of the Series B Preferred Stock, Series A Preferred Stock or Common Stock by reason of their ownership thereof, an amount per share for each share of Series C Preferred Stock then held by such holders equal to the greater of (i) the Series C Liquidation Preference, or (ii) such amount per share as would have been payable had all shares of Series C Preferred Stock been converted into Common Stock pursuant to Section 4(a) immediately prior to such Liquidation Event. For the avoidance of doubt: (x) the amount per share paid to a holder of Series C Preferred Stock pursuant to Section 3(a)(ii) above shall be reduced by the amount per share of Series C Preferred Stock paid to such holder on all

prior payment dates relative to the measurement date, including any amount paid at or around the closing of the Liquidation Event or thereafter, and (y) no amount shall be considered payable under Section 3(a)(ii) in furtherance of a contingent payment, until such payment is actually made. If the Corporation's assets legally available for distribution to the holders of the then outstanding shares of Series C Preferred Stock are insufficient to permit the payment to such holders of the full amounts specified in this Section 3(a) upon a Liquidation Event, then the Corporation's entire assets legally available for distribution will be distributed with equal priority and pro-rata among the holders of the Series C Preferred Stock in proportion to the full amounts they would otherwise be entitled to receive pursuant to this Section 3(a).

(b) Series B and Series A Liquidation Preference. In the event of any Liquidation Event (as defined below in Section 3(d)), upon the completions of the distribution required by Section 3(a) above, the holders of the then outstanding shares of Series B Preferred Stock and Series A Preferred Stock, on a *pari passu* basis, will be entitled to receive out of net available funds and assets, before and in preference to any Distribution (or to setting apart any such funds or assets for Distribution) of any of the Corporation's net available funds and assets to the holders of the Common Stock by reason of their ownership of such Common Stock, an amount per share (i) for each share of Series B Preferred Stock then held by such holders equal to the greater of (A) the Series B Liquidation Preference, or (B) such amount per share as would have been payable had all shares of Series B Preferred Stock been converted into Common Stock pursuant to Section 4(a) immediately prior to such Liquidation Event, and (ii) for each share of Series A Preferred Stock then held by such holders equal to the greater of (A) the Series A Liquidation Preference, or (B) such amount per share as would have been payable had all shares of Series A Preferred Stock been converted into Common Stock pursuant to Section 4(a) immediately prior to such Liquidation Event. For the avoidance of doubt: (x) the amount per share paid to a holder of Series B Preferred Stock pursuant to Section 3(b)(i)(B) above shall be reduced by the amount per share of Series B Preferred Stock paid to such holder on all prior payment dates relative to the measurement date, including any amount paid at or around the closing of the Liquidation Event or thereafter, (y) the amount per share paid to a holder of Series A Preferred Stock pursuant to Section 3(b)(ii)(B) above shall be reduced by the amount per share of Series A Preferred Stock paid to such holder on all prior payment dates relative to the measurement date, including any amount paid at or around the closing of the Liquidation Event or thereafter, and (z) no amount shall be considered payable under Section 3(b)(i)(B) or Section 3(b)(ii)(B) in furtherance of a contingent payment, until such payment is actually made. If the Corporation's assets legally available for distribution to the holders of the then outstanding shares of Series B Preferred Stock and Series A Preferred Stock are insufficient to permit the payment to such holders of the full amounts specified in this Section 3(b) upon a Liquidation Event, then the Corporation's entire assets legally available for distribution will be distributed with equal priority and pro-rata among the holders of the Series B Preferred Stock and Series A Preferred Stock in proportion to the full amounts they would otherwise be entitled to receive pursuant to this Section 3(b).

(c) Remaining Assets and Participation Cap. After paying (or setting aside for payment) to the holders of the then outstanding shares of Preferred Stock of the full preferential amounts specified in Sections 3(a) and 3(b), the Corporation's entire remaining assets legally available for distribution by the Corporation will be distributed with equal priority and pro rata among the holders of the Series C Preferred Stock, Series B Preferred Stock, Series A Preferred Stock and Common Stock in proportion to the number of shares of Common Stock held

by them, with the shares of Series C Preferred Stock, Series B Preferred Stock and Series A Preferred Stock being treated for this purpose as if they had been converted to shares of Common Stock at the then applicable Conversion Rate. Notwithstanding the foregoing, the aggregate distributions made pursuant to one or more subsections of this Section 3 with respect to (i) any share of Series C Preferred Stock shall not exceed an amount equal to $3.8703 (including amounts paid pursuant to Section 3(a) above) for that share of Series C Preferred Stock, plus any declared but unpaid dividends, and (ii) any share of Series B Preferred Stock or Series A Preferred Stock shall not exceed an amount equal to $3.00 (including amounts the paid pursuant to Section 3(b) above) for that share of Series B Preferred Stock or Series A Preferred Stock, as applicable, plus any declared but unpaid dividends.

(d) Reorganization. For purposes of this Section 3, unless otherwise determined by the holders of at least two-thirds of the then outstanding shares of Preferred Stock, voting as a single class on an as-converted to Common Stock basis, a liquidation, dissolution, or winding up of the Corporation will be deemed to be occasioned by, or to include, (i) the acquisition of the Corporation by another entity by means of any transaction or series of related transactions (including, without limitation, any stock acquisition, reorganization, merger, or consolidation, but specifically excluding any sale of stock for capital raising purposes approved by the Board of Directors) that results in a transfer of a majority of the total voting power represented by the Corporation's voting securities; (ii) a sale, lease, license or other conveyance of all or substantially all of the Corporation's assets or the sale or disposition (whether by merger, consolidation or otherwise) of one or more subsidiaries of the Corporation if substantially all of the assets of the Corporation and its subsidiaries taken as a whole are held by such subsidiary or subsidiaries, except where such sale, lease, transfer, exclusive license or other disposition is to a wholly owned subsidiary of the Corporation; or (iii) any voluntary or involuntary liquidation, dissolution, or winding up of the Corporation (each a "**Liquidation Event**"). Notwithstanding anything to the contrary in this Section 3(d) or elsewhere in this Certificate, the issuance of Series C Preferred Stock pursuant to the Purchase Agreement will not be deemed to be a Liquidation Event.

(d) Valuation of Non-Cash Consideration. If any of the Corporation's assets distributed to stockholders in connection with any Liquidation Event are in a form other than cash, then the value of such assets will be their fair market value as determined in good faith by the Corporation's Board of Directors, except that any publicly traded securities to be distributed to stockholders in a Liquidation Event will be valued as follows:

(i) For securities that are not subject to an investment letter or to other similar free marketability restrictions (which are covered by Section 3(e)(ii) below):

(1) if the securities are then traded on a national securities exchange, then such securities' value will be deemed to be to the average of such securities' closing prices on such exchange or system over the 10-trading-day period ending five trading days before the Distribution date; and

(2) if the securities are actively traded over-the-counter, then such securities' value will be deemed to be the average of such securities' closing bid prices over the 10-trading-day period ending five trading days before the Distribution date,

(ii) The valuation method for securities that are subject to investment letter or to other free marketability restrictions (other than restrictions arising solely by virtue of a stockholder's status as an affiliate or former affiliate) will be to make an appropriate discount from the market value determined as above in Section 3(e)(i)(l) or Section 3(e)(i)(2), as applicable, to reflect the approximate fair market value of such securities, as mutually determined by the Corporation and the holders of two-thirds of the voting power of all then outstanding shares of Preferred Stock, voting as a single class on an as-converted to Common Stock basis.

(e) Determination of Certain Distribution Dates. In the event of a merger or other acquisition of the Corporation by another entity, the Distribution date will be deemed to be the date that such transaction closes.

(f) Certain Definitions. For purposes of Section 3(e), "**trading day**" means any day on which the applicable exchange or system (on which the securities to be distributed are traded) is open for business, and "**closing prices**" or "**closing bid prices**" means: (i) for securities traded primarily on the New York Stock Exchange, the American Stock Exchange, or Nasdaq, the last reported trade price or sale price, as the case may be, at 4:00 p.m., New York time, on that day and (ii) for securities listed or traded on other exchanges, markets, and systems, the market price as of the end of the "regular hours" trading period that is generally accepted as such for such exchange, market, or system. After the Original Issue Date, if the benchmark times generally accepted in the securities industry for determining the market price of a stock as of a given trading day will change from those set forth above, then the fair market value will be determined as of such other generally accepted benchmark times,

4. Conversion. The holders of the Preferred Stock will have conversion rights as follows (the "**Conversion Rights**"):

(a) Right to Convert.

(i) Each share of Series C Preferred Stock will be convertible, at the holder's option and without payment of additional consideration by the holder, at any time after the date of issuance of such share at the office of the Corporation or any transfer agent for the Series C Preferred Stock, into that number of fully paid, non-assessable shares of Common Stock determined by dividing the Series C Original Issue Price by the then applicable Series C Conversion Price. The number of shares of Common Stock into which each share of Series C Preferred Stock may be converted pursuant to the preceding formula is referred to as the "**Series C Conversion Rate**." Upon any decrease or increase in the Series C Conversion Price, as described in this Section 4, the Series C Conversion Rate will be appropriately increased or decreased.

(ii) Each share of Series B Preferred Stock will be convertible, at the holder's option and without payment of additional consideration by the holder, at any time after the date of issuance of such share at the office of the Corporation or any transfer agent for the Series B Preferred Stock, into that number of fully paid, non-assessable shares of Common Stock determined by dividing the Series B Original Issue Price by the then applicable Series B Conversion Price. The number of shares of Common Stock into which each share of Series B Preferred Stock may be converted pursuant to the preceding formula is referred to as the "**Series B Conversion Rate**." Upon any decrease or increase in the Series B Conversion Price, as described in this Section 4, the Series B Conversion Rate will be appropriately increased or decreased.

(iii) Each share of Series A Preferred Stock will be convertible, at the holder's option and without payment of additional consideration by the holder, at any time after the date of issuance of such share at the office of the Corporation or any transfer agent for the Series A Preferred Stock, into that number of fully paid, non-assessable shares of Common Stock determined by dividing the Series A Original Issue Price by the then applicable Series A Conversion Price. The number of shares of Common Stock into which each share of Series A Preferred Stock may be converted pursuant to the preceding formula is referred to as the "**Series A Conversion Rate**." Upon any decrease or increase in the Series A Conversion Price, as described in this Section 4, the Series A Conversion Rate will be appropriately increased or decreased. Each of the Series C Conversion Rate, the Series B Conversion Rate and the Series A Conversion Rate may hereafter be referred to as a "**Conversion Rate**."

(b) Automatic Conversion. Every share of Preferred Stock will automatically be converted into fully-paid, non-assessable shares of Common Stock at the then effective applicable Conversion Rate for such share upon the earlier of (i) immediately before the closing of a firm commitment underwritten initial public offering filed under the Securities Act of 1933, as amended (the "**Securities Act**"), covering the offer and sale of the Corporation's Common Stock with aggregate proceeds to the Corporation of at least $40,000,000 (before deduction of underwriters' commissions and expenses) and with a per share price of at least $3.8703 (subject to adjustment from time to time for Recapitalizations as set forth elsewhere in this Certificate), or (ii) (A) with respect to the Series C Preferred Stock, the Corporation's receipt of a written request for such conversion from the holders of a majority of the then outstanding shares of Series C Preferred Stock, voting as a separate class, and (B) with respect to the Series B Preferred Stock and Series A Preferred Stock, the Corporation's receipt of a written request for such conversion from the holders of two-thirds of the then outstanding shares of Series B Preferred Stock and Series A Preferred Stock, voting as a single class on an as-converted to Common Stock basis, or, if later, the effective date for conversion specified in such requests (each such event referred to in clause (i) and clause (ii) of this Section 4(b), an "**Automatic Conversion Event**").

(c) Conversion Mechanics.

(i) No fractional shares of Common Stock will be issued upon conversion of Preferred Stock. Instead of any fractional shares to which a holder of Preferred Stock would otherwise be entitled, the Corporation will pay cash equal to such fraction multiplied by the then fair market value of a share of Common Stock as determined in good faith by the Corporation's Board of Directors. For such purpose, all shares of Preferred Stock held by each holder of Preferred Stock will be aggregated, and any resulting fractional share of Common Stock will be paid in cash.

(ii) Before any holder of Preferred Stock will be entitled to convert shares of Preferred Stock into full shares of Common Stock and to receive Common Stock certificates upon such conversion, the holder will surrender the certificate or certificates representing the Preferred Stock being converted, duly endorsed, at the office of the Corporation or of any transfer agent for the Preferred Stock, and will give written notice to the Corporation at

such office that the holder elects to convert the Preferred Stock into Common Stock; provided, however, that on the date of an Automatic Conversion Event, the outstanding shares of Preferred Stock will be converted automatically without any further action by the holders of such shares and whether or not the certificates representing such shares are surrendered to the Corporation or its transfer agent; provided further, however, that the Corporation will not be obligated to issue certificates representing the shares of Common Stock issuable upon such Automatic Conversion Event, unless either the certificates representing such shares of converted Preferred Stock are delivered to the Corporation or its transfer agent as provided above or unless the holder notifies the Corporation or its transfer agent that such certificates have been lost, stolen, or destroyed and executes an agreement satisfactory to the Corporation to indemnify the Corporation from any loss incurred by the Corporation in connection with such lost, stolen, or destroyed certificates.

(iii) On the effective date of an Automatic Conversion Event, each record holder of shares of Preferred Stock will be deemed to be the record holder of the Common Stock issuable upon such conversion, notwithstanding that the certificates representing such shares of Preferred Stock will not have been surrendered at the Corporation's office, that notice from the Corporation will not have been received by any record holder of shares of Preferred Stock, or that the certificates evidencing such shares of Common Stock will not then be actually delivered to such holder. If the conversion is in connection with an underwritten offering of securities registered pursuant to the Securities Act of 1933, the conversion may, at the option of any holder tendering Preferred Stock for conversion, be conditioned upon the closing with the underwriters of the sale of securities pursuant to such offering, in which event the persons entitled to receive the Common Stock upon conversion of Preferred Stock will not be deemed to have converted such Preferred Stock until immediately before the closing of such sale of securities. In addition, any optional conversion may be conditioned upon the occurrence of a specific event, in which event the person(s) entitled to receive Common Stock issuable upon such conversion of such Preferred Stock will not be deemed to have converted such Preferred Stock until immediately before the occurrence of such event.

(d) Conversion Price Adjustments for Certain Dilutive Issuances.

(i) Special Definition. For purposes of this Section 4(d), "**Additional Shares**" means all shares of Common Stock issued (or, pursuant to Section 4(d)(iii) of this Article V, deemed to be issued) by the Corporation after the Original Issue Date other than:

(1) shares of Common Stock issuable or issued upon conversion of outstanding shares of Preferred Stock;

(2) up to 5,794,108 shares (or such higher amount as is approved unanimously by the Corporation's Board of Directors and as adjusted for Recapitalizations) of Common Stock issuable or issued to the Corporation's officers, directors, employees, consultants, or advisors pursuant to the Corporation's 2011 Equity Incentive Plan, or other employee stock incentive programs or arrangements approved by the Corporation's Board of Directors, or upon exercise of Options or Convertible Securities granted to such parties pursuant to any such plan or arrangement;

(3) shares of Common Stock issuable or issued upon the exercise, exchange, adjustment, or conversion of Options or Convertible Securities outstanding as of the Original Issue Date;

(4) shares of Common Stock issuable or issued pursuant to the bona fide acquisition by the Corporation of another corporation or other business entity by merger, purchase of all or substantially all of such entity's assets, or other reorganization, or pursuant to a joint venture agreement; provided, in each such case, that such issuances are approved by the Corporation's Board of Directors (including all of the Preferred Directors (as defined in Section 5 below));

(5) shares of Common Stock issuable or issued to banks, equipment lessors, or other financial institutions pursuant to a bona fide commercial leasing or debt financing transaction in an amount not to exceed $5,000,000 entered into for primarily non-equity financing purposes approved by the Corporation's Board of Directors (including at least three of the Preferred Directors);

(6) shares of Common Stock issued pursuant to Recapitalizations for which a proportional adjustment has been made;

(7) shares of Common Stock issued or issuable in connection with sponsored research, collaboration, technology license, development, OEM, marketing, or other similar agreements or strategic partnerships for other than primarily equity financing purposes; provided, in each such case, that such issuances are approved by the Corporation's Board of Directors (including at least three of the Preferred Directors) and that the number of shares so issued in any 12 month period do not exceed 20% of the outstanding shares of Common Stock of the Corporation (on a fully diluted as converted basis);

(8) shares of Common Stock issued to suppliers of goods or third-party service providers in connection with the provision of goods or services pursuant to transactions approved by the Corporation's Board of Directors (including at least three of the Preferred Directors); provided that the number of shares so issued in any 12 month period do not exceed 5% of the outstanding shares of Common Stock of the Corporation (on a fully diluted as converted basis); and

(9) shares of Common Stock excluded from the definition of "Additional Shares" by the written consent of the holders of at least two-thirds of the then outstanding shares of Preferred Stock, voting as a single class on an as-converted to Common Stock basis.

(ii) No Conversion Price Adjustment. No adjustment in the Conversion Price of a particular series of Preferred Stock will be made in respect of the issuance of any Additional Shares, unless the consideration per share (as determined pursuant to Section 4(d)(v)) for such Additional Shares issued or deemed to be issued by the Corporation is less than the Conversion Price for such series of Preferred Stock in effect on the date of, and immediately before, such issuance.

(iii) Deemed Issue of Additional Shares. At any time or from time to time after the Original Issue Date, if the Corporation will issue any Options or Convertible Securities or will fix a record date for the determination of holders of any class of securities entitled to receive any such Options or Convertible Securities, then the maximum number of shares (as set forth in the instrument relating thereto without regard to any provisions contained therein for a subsequent adjustment of such number) of Common Stock issuable upon the exercise of such Options or, in the case of Convertible Securities, the conversion or exchange of such Convertible Securities or, in the case of Options for Convertible Securities, the exercise of such Options and the conversion or exchange of the underlying securities, will be deemed to have been issued as of the time of such issue or, in case such a record date will have been fixed, as of the close of business on such record date, provided that Additional Shares will not be deemed to have been issued unless the consideration per share (determined pursuant to Section 4(d)(v)) of such Additional Shares would be less than the Conversion Price in effect on the date of and immediately before such issuance or such record date (as the case may be), for such series of Preferred Stock, and provided further in any such case in which Additional Shares are deemed to be issued:

(1) no further adjustment in the Conversion Price of any series of Preferred Stock will be made upon the subsequent issuance of Convertible Securities or shares of Common Stock in connection with the exercise of such Options or conversion or exchange of such Convertible Securities;

(2) if such Options or Convertible Securities by their terms provide, with the passage of time or otherwise, for any increase in the consideration payable to the Corporation, or decrease in the number of shares of Common Stock issuable, upon the exercise, conversion, or exchange thereof, then the Conversion Price of each series of Preferred Stock computed upon the original issuance thereof (or upon the occurrence of a record date with respect thereto), and any subsequent adjustments based thereon, will, upon any such increase or decrease becoming effective, be re-computed to reflect such increase or decrease insofar as it affects such Options or the rights of conversion or exchange under such Convertible Securities;

(3) no readjustment pursuant to Section 4(d)(iii)(2) of this Article V will have the effect of increasing the Conversion Price of a series of Preferred Stock to an amount that exceeds the lower of (i) the Conversion Price for such series of Preferred Stock on the original adjustment date and (ii) the Conversion Price for such series of Preferred Stock that would have resulted from any issuance of Additional Shares between the original adjustment date and such readjustment date;

(4) upon the expiration of any such Options or any rights of conversion or exchange under such Convertible Securities that will not have been exercised, the Conversion Price computed upon the original issuance thereof (or upon the occurrence of a record date with respect thereto) and any subsequent adjustments based thereon will, upon such expiration, be re-computed as if:

(a) in the case of Convertible Securities or Options for Common Stock, the only Additional Shares issued were the shares of Common Stock, if any, actually issued upon the exercise of such Options or the conversion or exchange of such Convertible Securities and the corresponding consideration received was the consideration

actually received by the Corporation for the issue of such exercised Options plus the consideration actually received by the Corporation upon such exercise or for the issuance of all such Convertible Securities that were actually converted or exchanged, plus the additional consideration, if any, actually received by the Corporation upon such conversion or exchange; and

(b) in the case of Options for Convertible Securities, only the Convertible Securities, if any, actually issued upon the exercise thereof were issued at the time of issue of such Options, and the consideration received by the Corporation for the Additional Shares deemed to have been then issued was the consideration actually received by the Corporation for the issue of such exercised Options, plus the consideration deemed to have been received by the Corporation (determined pursuant to Section 4(d)(v)) upon the issuance of the Convertible Securities with respect to which such Options were actually exercised; and

(5) if such record date will have been fixed and such Options or Convertible Securities are not issued on such record date, then the adjustment previously made in the Conversion Price that became effective on such record date will be canceled as of the close of business on such record date, and thereafter the Conversion Price will be adjusted pursuant to this Section 4(d)(iii) as of the actual date of their issuance.

(iv) Conversion Price Adjustment Upon Issuance of Additional Shares. If the Corporation issues Additional Shares (including Additional Shares deemed to be issued pursuant to Section 4(d)(iii)) without consideration or for a consideration per share less than the Conversion Price of a series of Preferred Stock in effect on the date of and immediately before such issuance, then the Conversion Price of the affected series of Preferred Stock will be reduced, concurrently with such issuance, to a price (calculated to the nearest cent) determined by multiplying such Conversion Price by a fraction, the numerator of which will be the number of shares of Common Stock outstanding immediately before such issuance plus the number of shares that the aggregate consideration received by the Corporation for the total number of Additional Shares so issued would purchase at such Conversion Price, and the denominator of which will be the number of shares of Common Stock outstanding immediately before such issuance plus the number of such Additional Shares so issued. Notwithstanding the foregoing, a Conversion Price will not be reduced at such time if the amount of such reduction would be less than $0.01, but any such amount will be carried forward, and a reduction will be made with respect to such amount at the time of, and together with, any subsequent reduction which, together with such amount and any other amounts so carried forward, equal $0.01 or more in the aggregate. For the purposes of this Section 4(d)(iv), all shares of Common Stock issuable upon exercise of outstanding Options or the conversion of outstanding Convertible Securities and shares of Preferred Stock, and all Additional Shares deemed issued pursuant to Section 4(d)(iii), will be deemed to be outstanding.

(v) Determination of Consideration. For purposes of this Section 4(d), the consideration received by the Corporation for the issuance (or deemed issuance) of any Additional Shares will be computed as follows:

(1) Cash and Property. Such consideration will:

(a) insofar as such consideration consists of cash, be computed at the aggregate amount of cash received by the Corporation excluding amounts paid or payable for accrued interest or accrued dividends (if any);

(b) insofar as such consideration consists of property other than cash, be computed at the fair market value of such property at the time of such issue, as determined in good faith by the Corporation's Board of Directors; and

(c) in the event Additional Shares are issued together with other Corporation shares, securities, or other assets for consideration that covers both, be the proportion of such consideration so received, computed as provided in clause (a) and clause (b) above, as reasonably determined in good faith by the Corporation's Board of Directors to apply to the Additional Shares so issued.

(2) Options and Convertible Securities. The consideration per share received by the Corporation for Additional Shares deemed to have been issued pursuant to Section 4(d)(iii) of this Article V will be determined by dividing

(a) the total amount, if any, received or receivable by the Corporation as consideration for the issuance of such Options or Convertible Securities, plus the minimum aggregate amount of additional consideration (as set forth in the instruments relating thereto, without regard to any provision contained therein for a subsequent adjustment of such consideration) payable to the Corporation upon the exercise of such Options or the conversion or exchange of such Convertible Securities, or in the case of Options for Convertible Securities, the exercise of such Options for Convertible Securities and the conversion or exchange of such Convertible Securities by

(b) the maximum number of shares of Common Stock (as set forth in the instruments relating thereto, without regard to any provision contained therein for a subsequent adjustment of such number) issuable upon the exercise of such Options or the conversion or exchange of such Convertible Securities.

(e) Adjustments for Common Stock Subdivisions or Combinations. If the outstanding shares of Common Stock will be subdivided (by stock split, payment of a stock dividend, or otherwise) into a greater number of shares of Common Stock, then the applicable Conversion Price in effect immediately before such subdivision will, concurrently with the effectiveness of such subdivision, be proportionately decreased. If the outstanding shares of Common Stock will be combined (by reverse stock split, reclassification, or otherwise) into a lesser number of shares of Common Stock, then the applicable Conversion Price in effect immediately before such combination will, concurrently with the effectiveness of such combination, be proportionately increased.

(f) Adjustments for Preferred Stock Subdivisions or Combinations. If the outstanding shares of any series of Preferred Stock will be subdivided (by stock split, payment of a stock dividend, or otherwise) into a greater number of shares of such series of Preferred Stock, then, concurrently with the effectiveness of such subdivision, the applicable Dividend Rate and the applicable Liquidation Preference, each as in effect immediately before such subdivision, will be proportionately decreased and the applicable Conversion Price, as in effect immediately before such subdivision, will be proportionately increased. If the outstanding shares of any series of Preferred Stock will be combined (by reverse stock split, reclassification, or otherwise) into a lesser number of shares of such series of Preferred Stock, then, concurrently with the effectiveness of such combination, the applicable Dividend Rate and the applicable Liquidation Preference, each as in effect immediately before such combination, will be proportionately increased and the applicable Conversion Price, as in effect immediately before such combination, will be proportionately decreased.

(g) Adjustments for Reclassification, Exchange, and Substitution. Subject to Section 3 of this Article V, if the Common Stock issuable upon conversion of any series of Preferred Stock will be changed into the same or a different number of shares of any other class or classes of stock, whether by capital reorganization, reclassification, or otherwise (other than a subdivision or combination of shares provided for above), then, in any such event, instead of the number of shares of Common Stock that the holders would otherwise have been entitled to receive, each holder of such series of Preferred Stock will have the right thereafter to convert such shares of Preferred Stock into a number of shares of such other class or classes of stock that a holder of the number of shares of Common Stock deliverable upon conversion of such series of Preferred Stock immediately before that change would have been entitled to receive in such reorganization or reclassification, all subject to further adjustment as provided in this Certificate with respect to such other shares.

(h) No Impairment. The Corporation will not, through any reorganization, asset transfer, merger, dissolution, securities issuance, securities sale, or other voluntary action, avoid or seek to avoid the observance or performance of any of the terms to be observed or performed under this Certificate by the Corporation, but instead the Corporation will, at all times and in good faith, assist in carrying out all provisions of this Section 4 and in taking all such action as may be necessary or appropriate to protect the Conversion Rights against impairment. Notwithstanding the foregoing, nothing in this Section 4(h) will prohibit the Corporation from amending this Certificate with the requisite consent of its stockholders and its Board of Directors.

(i) Certificate as to Adjustments. Upon the occurrence of each adjustment or readjustment of any Conversion Price pursuant to this Section 4, the Corporation, at its own expense, will promptly compute such adjustment or readjustment in accordance with the terms of this Certificate and furnish to each holder of any affected series of Preferred Stock a certificate setting forth such adjustment or readjustment and showing in detail the facts upon which such adjustment or readjustment is based. The Corporation will, upon the written request at any time of any holder of Preferred Stock, furnish or cause to be furnished, to such holder a similar certificate setting forth (i) such adjustments and readjustments, (ii) the applicable Conversion Price as then in effect, and (iii) the number of shares of Common Stock and the amount, if any, of other property that would then be received upon the conversion of the applicable series of Preferred Stock.

(j) Conversion Price Adjustment Waiver. Notwithstanding anything in this Certificate to the contrary, any downward adjustment of the Series C Conversion Price may be waived, either prospectively or retroactively and either generally or in a particular instance, by the consent or vote of the holders of a majority of the then outstanding shares of Series C Preferred Stock. Any such waiver will bind all future holders of shares of Series C Preferred Stock. Notwithstanding anything in this Certificate to the contrary, any downward adjustment of the Series B Conversion Price may be waived, either prospectively or retroactively and either generally or in a particular instance, by the consent or vote of the holders of sixty percent (60%) of the then outstanding shares of Series B Preferred Stock. Any such waiver will bind all future holders of shares of Series B Preferred Stock. Notwithstanding anything in this Certificate to the contrary, any downward adjustment of the Series A Conversion Price may be waived, either prospectively or retroactively and either generally or in a particular instance, by the consent or vote of the holders of sixty percent (60%) of the then outstanding shares of Series A Preferred Stock. Any such waiver will bind all future holders of shares of Series A Preferred Stock.

(k) Reservation of Stock issuable Upon Conversion. At all times and solely for the purpose of implementing the conversion of the shares of Preferred Stock, the Corporation will reserve and keep available out of its authorized but unissued shares of Common Stock such number of the Corporation's shares of Common Stock as will from time to time be sufficient to permit the conversion of all then outstanding shares of the Preferred Stock. At any time, if the number of authorized but unissued shares of Common Stock will not be sufficient to permit the conversion of all then outstanding shares of the Preferred Stock, then the Corporation will take such corporate action as may, in the opinion of its counsel, be necessary to increase its authorized but unissued shares of Common Stock to such number of shares as will be sufficient for such purpose.

5. Voting.

(a) General.

(i) Restricted Class Voting. Except as otherwise expressly provided in this Certificate or as required by law, the holders of Preferred Stock and the holders of Common Stock will vote together as a single class and not as separate classes.

(ii) Restricted Series Voting. Other than as expressly provided in this Certificate or as required by law, the holders of all series of Preferred Stock will vote together and not as separate classes.

(iii) Preferred Stock. Each holder of Preferred Stock will be entitled to the number of votes equal to the number of shares of Common Stock into which the shares of Preferred Stock held by such holder could be converted as of the record date. The holders of shares of Preferred Stock will be entitled to vote on all matters on which the Common Stock will be entitled to vote. Holders of Preferred Stock will be entitled to notice of any stockholders' meeting in accordance with the applicable provisions of the Delaware General Corporation Law,

the Corporation's Bylaws, and any other applicable law. Fractional votes will not, however, be permitted and any fractional voting rights resulting from the formula specified above (after aggregating all shares into which shares of Preferred Stock held by each holder could be converted) will be disregarded.

(iv) Election of Directors. So long as at least 500,000 shares of Series C Preferred Stock are outstanding (subject to adjustment from time to time for Recapitalizations), the holders of Series C Preferred Stock, voting as a separate class, shall be entitled to elect one (1) member of the Corporation's Board of Directors at each meeting or pursuant to each consent of the Corporation's stockholders for the election of directors (the "**Series C Director**"). So long as at least 500,000 shares of Series B Preferred Stock are outstanding (subject to adjustment from time to time for Recapitalizations), the holders of Series B Preferred Stock, voting as a separate class, shall be entitled to elect one (1) member of the Corporation's Board of Directors at each meeting or pursuant to each consent of the Corporation's stockholders for the election of directors (the "**Series B Director**"). So long as at least 500,000 shares of Series A Preferred Stock are outstanding (subject to adjustment from time to time for Recapitalizations), the holders of Series A Preferred Stock, voting as a separate class, shall be entitled to elect two (2) members of the Corporation's Board of Directors at each meeting or pursuant to each consent of the Corporation's stockholders for the election of directors (the "**Series A Directors**" and, together with the Series C Director and the Series B Director, the "**Preferred Directors**"). The holders of Common Stock, voting as a separate class, shall be entitled to elect three (3) members of the Corporation's Board of Directors at each meeting or pursuant to each consent of the Corporation's stockholders for the election of directors. Any additional members of the Corporation's Board of Directors shall be elected by the holders of Common Stock and Preferred Stock, voting as separate classes. If a vacancy on the Board of Directors is to be filled by the Board of Directors, only directors elected by the same class or classes of stockholders as those who would be entitled to vote to fill such vacancy shall vote to fill such vacancy.

(v) Common Stock. Each holder of shares of Common Stock will be entitled to one vote for each share of Common Stock held by such holder,

(vi) Authorized Common Stock Adjustment. Subject to Article V, Section 6, the number of shares of authorized Common Stock may be increased or decreased (but not below the number of shares of Common Stock then outstanding) by an affirmative vote of the holders of a majority-in-interest of the then outstanding Corporation's capital stock.

(vii) Cumulative Voting. So long as Section 2115 of the California General Corporation Law purports to make Section 708(a), Section 708(b), and Section 708(c) of the California General Corporation Law applicable to the Corporation, the Corporation's stockholders will have the right to cumulate their respective votes in connection with the election of directors as provided in Section 708(a), Section 708(b), and Section 708(c) of the California General Corporation Law.

6. Protective Provisions.

(a) Preferred Stock Protective Provisions. So long as at least 500,000 shares of Preferred Stock are outstanding (subject to adjustment from time to time for Recapitalizations), the Corporation will not (whether by merger, recapitalization or otherwise), without first receiving the approval (by vote or written consent, as provided by law) of holders of at least two-thirds of the then outstanding shares of Preferred Stock, voting as a single class on an as-converted to Common Stock basis:

(i) alter or change the rights, preferences, or privileges of the Preferred Stock;

(ii) change the aggregate number of authorized shares of Preferred Stock or the aggregate number of authorized shares of Common Stock;

(iii) create (by reclassification or otherwise) or issue any class or series of shares having any rights, preferences, or privileges superior to or *pari passu* with any outstanding shares of Preferred Stock (except for issuances of Series C Preferred Stock pursuant to the Purchase Agreement) or increase the authorized or designated number of such class or series of shares;

(iv) declare or pay any Distribution on any class or series of the Corporation's capital stock;

(v) merge into, consolidate with, or implement a reorganization with any other corporation (other than a wholly-owned subsidiary corporation) in one or more related transactions or implement any other transaction or series of related transactions that result in the transfer of at least 50% of the voting power of the Corporation;

(vi) sell all or substantially all of the Corporation's assets;

(vii) voluntarily dissolve or liquidate the Corporation or authorize or consummate a Liquidation Event;

(viii) change the number of authorized directors;

(ix) authorize or effect the acquisition in any manner, directly or indirectly, of the capital stock or a substantial portion of the assets of any entity by the Corporation;

(x) make any material change in the nature of the business of the Corporation;

(xi) incur aggregate indebtedness in excess of $500,000, other than trade payables incurred in the ordinary course of business;

(xii) authorize or effect, or permit any subsidiary to authorize or effect, any of the following: (A) the organization of any new direct or indirect subsidiary, (B) the material amendment or modification of the charter, bylaws or other organizational document of any subsidiary, or (C) the restructuring of any existing subsidiary;

(xiii) create any new stock option or stock incentive plan, or increase the number of shares reserved for issuance under any of the Corporation's equity incentive plans;

(xiv) except for (A) periodic salary and other compensatory payments made in accordance with the Corporation's normal payroll practices, (B) standard employment agreements and employee benefits generally made available to all employees, (C) standard director and officer indemnification agreements, and (D) the purchase of shares of the Corporation's capital stock and the issuance of options to purchase shares of the Corporation's Common Stock, enter into or be a party to any transaction with any director, officer or holder of at least five percent (5%) of the then-outstanding shares of Common Stock of the Corporation (assuming conversion of all then-outstanding shares of Preferred Stock), or any of the respective "associates" (as defined in Rule 12b-2 promulgated under the Securities and Exchange Act of 1934, as amended) of such persons, except to the extent approved by the Board of Directors, including at least three (3) of the Preferred Directors; or

(xv) create, or hold capital stock in, any subsidiary that is not wholly owned (either directly or through one or more other subsidiaries) by the Corporation, or sell, transfer or otherwise dispose of any capital stock of any direct or indirect subsidiary of the Corporation, or permit any direct or indirect subsidiary to sell, lease, transfer, exclusively license or otherwise dispose (in a single transaction or series of related transactions) of all or substantially all of the assets of such subsidiary.

(b) Series C Protective Provisions. So long as at least 1,000,000 shares of Series C Preferred Stock are outstanding (subject to adjustment from time to time for Recapitalizations), the Corporation will not (whether by merger, recapitalization or otherwise), without first receiving the approval (by vote or written consent, as provided by law) of holders of a majority of the then outstanding shares of Series C Preferred Stock, voting as a separate class:

(i) amend, alter or repeal any provision of the Certificate of Incorporation or Bylaws of the Corporation in a manner that adversely affects the rights, preferences or privileges of the shares of Series C Preferred Stock;

(ii) take any action that would alter or change the rights, preferences, or privileges of the shares of Series C Preferred Stock in a manner that adversely affects such rights, preferences or privileges;

(iii) change the aggregate number of authorized shares of Series C Preferred Stock; or

(iv) reclassify, alter or amend any existing security of the Corporation that is junior to the Series C Preferred Stock in respect of the distribution of assets on the liquidation, dissolution or winding up of the Corporation, the payment of dividends or rights of redemption, if such reclassification, alteration or amendment would render such other security senior to or pari passu with the Series C Preferred Stock in respect of any such right, preference or privilege.

7. Redemption.

(a) At any time after the five (5) year anniversary of the Original Issue Date, and at the written election of the holders of at least two-thirds of the then outstanding shares of Preferred Stock, acting as a single class on an as-converted to Common Stock basis, the Corporation shall redeem, out of funds legally available therefor, all (but not less than all) outstanding shares of Preferred Stock which have not been converted into Common Stock pursuant to Section 4, in three (3) equal annual installments (each a "**Redemption Date**"). The Corporation shall redeem the shares of Preferred Stock by paying in cash an amount per share equal to the Original Issue Price for the applicable series of Preferred Stock, plus an amount equal to all declared and unpaid dividends thereon (the "**Redemption Price**"). The number of shares of Preferred Stock that the Corporation shall be required under this Section 7 to redeem on any one (1) Redemption Date shall be equal to the amount determined by dividing: (a) the aggregate number of shares of Preferred Stock outstanding immediately prior to the Redemption Date by; (b) the number of remaining Redemption Dates (including the Redemption Date to which such calculation applies). If the funds legally available for redemption of the Preferred Stock shall be insufficient to permit the payment to such holders of the full respective Redemption Prices, the Corporation's entire funds legally available for redemption shall be used to effect such redemption pro rata among the holders of the Series C Preferred Stock so that each holder of Series C Preferred Stock shall receive a redemption payment equal to a fraction of the aggregate amount available for redemption, the numerator of which is the number of shares of Series C Preferred Stock held by such holder with each number multiplied by the Redemption Price of each share of Series C Preferred Stock held by such holder, and the denominator of which is the number of shares of Series C Preferred Stock outstanding multiplied by the Redemption Price of each such outstanding share of Series C Preferred Stock. After redemption in full of the outstanding shares of Series C Preferred Stock, if the funds legally available for redemption of the Preferred Stock shall be insufficient to permit the payment to such holders of the full respective Redemption Prices, the Corporation's entire funds legally available for redemption shall be used to effect such redemption pro rata among the holders of the remaining Preferred Stock so that each holder of Preferred Stock shall receive a redemption payment equal to a fraction of the aggregate amount available for redemption, the numerator of which is the number of shares of Preferred Stock held by such holder with each number multiplied by the Redemption Price of each share of Preferred Stock held by such holder, and the denominator of which is the number of shares of Preferred Stock outstanding multiplied by the Redemption Price of each such outstanding share of Preferred Stock.

(b) At least fifteen (15), but no more than thirty (30), days prior to each Redemption Date, written notice shall be mailed, first class postage prepaid, to each holder of record (at the close of business on the business day next preceding the day on which notice is given) of the Preferred Stock to be redeemed, at the address last shown on the records of the Corporation for such holder, notifying such holder of (i) the redemption to be effected, (ii) specifying the number of shares to be redeemed from such holder, (iii) the Redemption Date, (iv) the Redemption Price, (v) the place at which payment may be obtained and calling upon such holder to surrender to the Corporation, in the manner and at the place designated, the holder's certificate or certificates representing the shares to be redeemed and (vi) the date upon which the

holder's right to convert such shares terminates (the "**Redemption Notice**"). Except as provided herein, on or after the Redemption Date each holder of Preferred Stock to be redeemed shall surrender to this Corporation the certificate or certificates representing such shares, in the manner and at the place designated in the Redemption Notice, and thereupon the Redemption Price of such shares shall be payable to the order of the person whose name appears on such certificate or certificates as the owner thereof and each surrendered certificate shall be cancelled. In the event less than all the shares represented by any such certificate are redeemed, a new certificate shall be issued representing the unredeemed shares.

(c) From and after the applicable Redemption Date, unless there shall have been a default in payment of the Redemption Price, all rights of the holders of shares of Preferred Stock designated for redemption in the Redemption Notice as holders of Preferred Stock (except the right to receive the Redemption Price without interest upon surrender of their certificate or certificates) shall cease with respect to the shares designated for redemption on such date, and such shares shall not thereafter be transferred on the books of the Corporation or be deemed to be outstanding for any purpose whatsoever. If the funds of the Corporation legally available for redemption of shares of Preferred Stock on any Redemption Date are insufficient to redeem the total number of shares of Preferred Stock to be redeemed on such date, those funds which are legally available will be used to redeem the maximum possible number of such shares ratably among the holders of such shares to be redeemed based upon their holdings of Preferred Stock. The shares of Preferred Stock not redeemed shall remain outstanding and entitled to all the rights and preferences provided herein. At any time thereafter when additional funds of the Corporation are legally available for the redemption of shares of Preferred Stock such funds will immediately be used to redeem the balance of the shares which the Corporation has become obliged to redeem on any Redemption Date, but which it has not redeemed.

(d) On or prior to each Redemption Date, the Corporation may deposit the Redemption Price of all shares of Preferred Stock designated for redemption in the Redemption Notice and not yet redeemed with a bank or trust corporation having aggregate capital and surplus in excess of $100,000,000, as a trust fund for the benefit of the respective holders of the shares designated for redemption and not yet redeemed, with irrevocable instructions and authority to the bank or trust corporation to pay the Redemption Price for such shares to their respective holders on or after the Redemption Date upon receipt of notification from the Corporation that such holder has surrendered a share certificate to the Corporation pursuant to Section 7(b). As of the Redemption Date, the deposit shall constitute full payment of the shares to their holders, and from and after the Redemption Date the shares so called for redemption shall be redeemed and shall be deemed to be no longer outstanding, and the holders thereof shall cease to be stockholders with respect to such shares and shall have no rights with respect thereto except the right to receive from the bank or trust corporation payment of the Redemption Price of the shares, without interest, upon surrender of their certificates therefor. Such instructions shall also provide that any moneys deposited by the Corporation pursuant to this Section 7(d) for the redemption of shares thereafter converted into shares of the Corporation's Common Stock pursuant to Section 4 prior to the Redemption Date shall be returned to the Corporation forthwith upon such conversion. The balance of any moneys deposited by the Corporation pursuant to this Section 7(d) remaining unclaimed at the expiration of two (2) years following the Redemption Date shall thereafter be returned to the Corporation upon its request expressed in a resolution of its Board of Directors.

8. Notices. Any notice required by the provisions of this Article V to be given to the holders of Preferred Stock will be deemed given if deposited in the United States mail, postage prepaid, and addressed to each holder of record at such holder's address appearing on the Corporation's books or if such notice is given in any other manner permitted by law.

9. No Reissuance. No shares of Preferred Stock acquired by the Corporation by reason of redemption, purchase, conversion, or otherwise will be reissued, and all such shares will be canceled, retired, and eliminated from the shares that the Corporation will be authorized to issue.

ARTICLE VI

1. The Corporation will have perpetual existence.

2. Elections of directors need not be by written ballot, unless a stockholder demands election by written ballot at the applicable stockholder meeting and before the voting begins, or unless the Corporation's Bylaws provide that elections of directors must be by written ballot.

3. The number of directors that constitute the Corporation's Board of Directors will be as specified in the Corporation's Bylaws.

4. In furtherance and not in limitation of the powers conferred by statute, the Corporation's Board of Directors is expressly authorized to make, alter, amend, or repeal the Corporation's Bylaws.

5. Stockholders' meetings may be held inside or outside of the State of Delaware, as the Bylaws may provide. The Corporation's books may be kept (subject to any provisions contained in the statutes) outside the State of Delaware at such place or places as may be designated from time to time by the Corporation's Board of Directors or in the Corporation's Bylaws.

6. Advance notice of new business and stockholder nominations for the election of directors will be given in the manner and to the extent provided in the Corporation's Bylaws.

ARTICLE VII

1. To the fullest extent permitted by the Delaware General Corporation Law, as it exists now or as it may be amended, a Corporation director will not be personally liable to the Corporation or its stockholders for monetary damages for a breach of fiduciary duty as a director.

2. To the fullest extent permitted by applicable law, the Corporation may indemnify any person made or threatened to be made a party to any action or proceeding, whether criminal, civil, administrative, or investigative, by reason of the fact that such person, such person's testator, or such person's intestate is or was a director, officer, or employee of the Corporation or any Corporation predecessor or serves or served at any other enterprise as a director, officer, or employee at the request of the Corporation or of any Corporation predecessor.

3. Neither any amendment or repeal of this Article VII, nor the adoption of any provision of this Certificate that is inconsistent with this Article VII, will eliminate or reduce the effect of this Article VII in respect of any matter occurring, or any action or proceeding accruing or arising or that, but for this Article VII, would accrue or arise, before such amendment, repeal, or adoption of an inconsistent provision.

* * * * *

CORRECTED
CERTIFICATE OF AMENDMENT
OF THIRD AMENDED AND RESTATED CERTIFICATE OF INCORPORATION

Inari Medical, Inc., a corporation organized and existing under and by virtue of the General Corporation Law of the State of Delaware (the "Corporation"), hereby certifies as follows:

1. The original Certificate of Amendment of Third Amended and Restated Certificate of Incorporation was filed with the Secretary of State of Delaware on June 19, 2019 (the "Certificate") and that said Certificate requires correction, as permitted by Section 103(f) of the General Corporation Law of the State of Delaware.

2. The Certificate contained an inaccurate Article reference and inaccurately set forth the number of shares of Common Stock issuable pursuant to the Corporation's 2011 Equity Incentive Plan and, as corrected, said Certificate shall read in its entirety as follows:

CERTIFICATE OF AMENDMENT
OF THIRD AMENDED AND RESTATED
CERTIFICATE OF INCORPORATION
OF
INARI MEDICAL, INC.,
a Delaware corporation

Inari Medical, Inc., a corporation organized and existing under and by virtue of the General Corporation Law of the State of Delaware (the "**Corporation**"), does hereby certify:

FIRST: The Board of Directors of the Corporation duly adopted resolutions proposing and declaring advisable the following amendments to the Third Amended and Restated Certificate of Incorporation of the Corporation (the "**Certificate**"), directing that said amendment be submitted to the stockholders of the Corporation for consideration thereof. The resolutions setting forth the proposed amendments are as follows:

RESOLVED, that the first paragraph of Article IV of the Certificate is amended to read in its entirety as follows:

"The Corporation has the authority to issue 116,017,626 shares of stock, consisting of 70,000,000 shares of Common Stock, par value $0.001 per share, and 46,017,626 shares of Preferred Stock, par value $0.001 per share, 8,995,000 of which are designated "**Series A Preferred Stock**", 16,094,016 of which are designated "**Series B Preferred Stock**", and 20,928,610 of which are designated as "**Series C Preferred Stock**"."

RESOLVED FURTHER, that Section 4(d)(i)(2) of Article V of the Certificate is amended to read in its entirety as follows:

"(2) up to 15,476,552 shares (or such higher amount as is approved unanimously by the Corporation's Board of Directors and as adjusted for Recapitalizations) of Common Stock issuable or issued to the Corporation's officers, directors, employees, consultants, or advisors pursuant to the Corporation's 2011 Equity Incentive Plan, or other employee stock incentive programs or arrangements approved by the Corporation's Board of Directors, or upon exercise of Options or Convertible Securities granted to such parties pursuant to any such plan or arrangement;"

SECOND: That thereafter, the holders of the necessary number of shares of capital stock of the Corporation gave their written consent in favor of the foregoing amendments in accordance with the provisions of Section 228 of the Delaware General Corporation Law.

THIRD: That said amendments were duly adopted in accordance with the provisions of Section 242 of the Delaware General Corporation Law.

IN WITNESS WHEREOF, Inari Medical, Inc. has caused this Corrected Certificate of Amendment of Third Amended and Restated Certificate of Incorporation to be signed by the undersigned, and the undersigned has executed this Corrected Certificate of Amendment and affirms the foregoing as true under penalty of perjury this 18th day of July, 2019.

/s/ Mitch Hill
Mitch Hill
Chief Financial Officer

BYLAWS OF

INCEPTUS NEWCO1 INC.

Adopted August 16, 2011

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BYLAWS

ARTICLE I — MEETINGS OF STOCKHOLDERS

1.1 ***Place of Meetings***. Meetings of stockholders of Inceptus Newcol Inc. (the "**Company**") shall be held at any place, within or outside the State of Delaware, determined by the Company's board of directors (the "**Board**"). The Board may, in its sole discretion, determine that a meeting of stockholders shall not be held at any place, but may instead be held solely by means of remote communication as authorized by Section 211(a)(2) of the Delaware General Corporation Law (the "**DGCL**"). In the absence of any such designation or determination, stockholders' meetings shall be held at the Company's principal executive office.

1.2 ***Annual Meeting***. An annual meeting of stockholders shall be held for the election of directors at such date and time as may be designated by resolution of the Board from time to time. Any other proper business may be transacted at the annual meeting. The Company shall not be required to hold an annual meeting of stockholders, *provided* that (i) the stockholders are permitted to act by written consent under the Company's certificate of incorporation and these bylaws, (ii) the stockholders take action by written consent to elect directors and (iii) the stockholders unanimously consent to such action or, if such consent is less than unanimous, all of the directorships to which directors could be elected at an annual meeting held at the effective time of such action are vacant and are filled by such action.

1.3 ***Special Meeting***. A special meeting of the stockholders may be called at any time by the Board, Chairperson of the Board, Chief Executive Officer or President (in the absence of a Chief Executive Officer) or by one or more stockholders holding shares in the aggregate entitled to cast not less than 10% of the votes at that meeting.

If any person(s) other than the Board calls a special meeting, the request shall:

(i) be in writing;

(ii) specify the time of such meeting and the general nature of the business proposed to be transacted; and

(iii) be delivered personally or sent by registered mail or by facsimile transmission to the Chairperson of the Board, the Chief Executive Officer, the President (in the absence of a Chief Executive Officer) or the Secretary of the Company.

The officer(s) receiving the request shall cause notice to be promptly given to the stockholders entitled to vote at such meeting, in accordance with these bylaws, that a meeting will be held at the time requested by the person or persons calling the meeting. No business may be transacted at such special meeting other than the business specified in such notice to stockholders. Nothing contained in this paragraph of this **section 1.3** shall be construed as limiting, fixing, or affecting the time when a meeting of stockholders called by action of the Board may be held.

1.4 ***Notice of Stockholders' Meetings***. Whenever stockholders are required or permitted to take any action at a meeting, a written notice of the meeting shall be given which shall state the place, if any, date and hour of the meeting, the means of remote communications, if any, by which stockholders and proxy holders may be deemed to be present in person and vote at such meeting, the record date for determining the stockholders entitled to vote at the meeting, if such date is different from the record date for determining stockholders entitled to notice of the meeting, and, in the case of a special meeting, the purpose or purposes for which the meeting is called. Except as otherwise provided in the DGCL, the

certificate of incorporation or these bylaws, the written notice of any meeting of stockholders shall be given not less than 10 nor more than 60 days before the date of the meeting to each stockholder entitled to vote at such meeting as of the record date for determining the stockholders entitled to notice of the meeting.

1.5 ***Quorum***. Except as otherwise provided by law, the certificate of incorporation or these bylaws, at each meeting of stockholders the presence in person or by proxy of the holders of shares of stock having a majority of the votes which could be cast by the holders of all outstanding shares of stock entitled to vote at the meeting shall be necessary and sufficient to constitute a quorum. Where a separate vote by a class or series or classes or series is required, a majority of the outstanding shares of such class or series or classes or series, present in person or represented by proxy, shall constitute a quorum entitled to take action with respect to that vote on that matter, except as otherwise provided by law, the certificate of incorporation or these bylaws.

lf, however, such quorum is not present or represented at any meeting of the stockholders, then either (i) the chairperson of the meeting, or (ii) the stockholders entitled to vote at the meeting, present in person or represented by proxy, shall have the power to adjourn the meeting from time to time, in the manner provided in **section 1.6**, until a quorum is present or represented.

1.6 ***Adjourned Meeting; Notice***. Any meeting of stockholders, annual or special, may adjourn from time to time to reconvene at the same or some other place, and notice need not be given of the adjourned meeting if the time, place, if any, thereof, and the means of remote communications, if any, by which stockholders and proxy holders may be deemed to be present in person and vote at such adjourned meeting are announced at the meeting at which the adjournment is taken. At the adjourned meeting, the Company may transact any business which might have been transacted at the original meeting. If the adjournment is for more than 30 days, a notice of the adjourned meeting shall be given to each stockholder of record entitled to vote at the meeting. If after the adjournment a new record date for stockholders entitled to vote is fixed for the adjourned meeting, the Board shall fix a new record date for notice of such adjourned meeting in accordance with Section 213(a) of the DGCL and **section 1.10** of these bylaws, and shall give notice of the adjourned meeting to each stockholder of record entitled to vote at such adjourned meeting as of the record date fixed for notice of such adjourned meeting.

1.7 ***Conduct of Business***. Meetings of stockholders shall be presided over by the Chairperson of the Board, if any, or in his or her absence by the Vice Chairperson of the Board, if any, or in the absence of the foregoing persons by the Chief Executive Officer, or in the absence of the foregoing persons by the President, or in the absence of the foregoing persons by a Vice President, or in the absence of the foregoing persons by a chairperson designated by the Board, or in the absence of such designation by a chairperson chosen at the meeting. The Secretary shall act as secretary of the meeting, but in his or her absence the chairperson of the meeting may appoint any person to act as secretary of the meeting. The chairperson of any meeting of stockholders shall determine the order of business and the procedure at the meeting, including such regulation of the manner of voting and the conduct of business.

1.8 ***Voting***. The stockholders entitled to vote at any meeting of stockholders shall be determined in accordance with the provisions of **section 1.10** of these bylaws, subject to Section 217 (relating to voting rights of fiduciaries, pledgors and joint owners of stock) and Section 218 (relating to voting trusts and other voting agreements) of the DGCL.

Except as may be otherwise provided in the certificate of incorporation, each stockholder entitled to vote at any meeting of stockholders shall be entitled to one vote for each share of capital stock held by such stockholder which has voting power upon the matter in question. Voting at meetings of stockholders need not be by written ballot and, unless otherwise required by law, need not be conducted by inspectors of election unless so determined by the holders of shares of stock having a majority of the votes which

could be cast by the holders of all outstanding shares of stock entitled to vote thereon which are present in person or by proxy at such meeting. If authorized by the Board, such requirement of a written ballot shall be satisfied by a ballot submitted by electronic transmission (as defined in **section 7.2** of these bylaws), *provided* that any such electronic transmission must either set forth or be submitted with information from which it can be determined that the electronic transmission was authorized by the stockholder or proxy holder.

Except as otherwise required by law, the certificate of incorporation or these bylaws, in all matters other than the election of directors, the affirmative vote of a majority of the voting power of the shares present in person or represented by proxy at the meeting and entitled to vote on the subject matter shall be the act of the stockholders. Except as otherwise required by law, the certificate of incorporation or these bylaws, directors shall be elected by a plurality of the voting power of the shares present in person or represented by proxy at the meeting and entitled to vote on the election of directors. Where a separate vote by a class or series or classes or series is required, in all matters other than the election of directors, the affirmative vote of the majority of shares of such class or series or classes or series present in person or represented by proxy at the meeting shall be the act of such class or series or classes or series, except as otherwise provided by law, the certificate of incorporation or these bylaws.

1.9 ***Stockholder Action by Written Consent Without a Meeting***. Unless otherwise provided in the certificate of incorporation, any action required by the DGCL to be taken at any annual or special meeting of stockholders of a corporation, or any action which may be taken at any annual or special meeting of such stockholders, may be taken without a meeting, without prior notice, and without a vote, if a consent or consents in writing, setting forth the action so taken, shall be signed by the holders of outstanding stock having not less than the minimum number of votes that would be necessary to authorize or take such action at a meeting at which all shares entitled to vote thereon were present and voted.

An electronic transmission (as defined in **section 7.2**) consenting to an action to be taken and transmitted by a stockholder or proxy holder, or by a person or persons authorized to act for a stockholder or proxy holder, shall be deemed to be written, signed and dated for purposes of this section, *provided* that any such electronic transmission sets forth or is delivered with information from which the Company can determine (i) that the electronic transmission was transmitted by the stockholder or proxy holder or by a person or persons authorized to act for the stockholder or proxy holder and (ii) the date on which such stockholder or proxy holder or authorized person or persons transmitted such electronic transmission.

In the event that the Board shall have instructed the officers of the Company to solicit the vote or written consent of the stockholders of the Company, an electronic transmission of a stockholder written consent given pursuant to such solicitation may be delivered to the Secretary or the President of the Company or to a person designated by the Secretary or the President. The Secretary or the President of the Company or a designee of the Secretary or the President shall cause any such written consent by electronic transmission to be reproduced in paper form and inserted into the corporate records.

Prompt notice of the taking of the corporate action without a meeting by less than unanimous written consent shall be given to those stockholders who have not consented in writing and who, if the action had been taken at a meeting, would have been entitled to notice of the meeting if the record date for notice of such meeting had been the date that written consents signed by a sufficient number of holders to take the action were delivered to the Company as provided in Section 228 of the DGCL. In the event that the action which is consented to is such as would have required the filing of a certificate under any provision of the DGCL, if such action had been voted on by stockholders at a meeting thereof, the certificate filed under such provision shall state, in lieu of any statement required by such provision concerning any vote of stockholders, that written consent has been given in accordance with Section 228 of the DGCL.

1.10 ***Record Dates***. In order that the Company may determine the stockholders entitled to notice of any meeting of stockholders or any adjournment thereof, the Board may fix a record date, which record date shall not precede the date upon which the resolution fixing the record date is adopted by the Board and which record date shall not be more than 60 nor less than 10 days before the date of such meeting. If the Board so fixes a date, such date shall also be the record date for determining the stockholders entitled to vote at such meeting unless the Board determines, at the time it fixes such record date, that a later date on or before the date of the meeting shall be the date for making such determination.

If no record date is fixed by the Board, the record date for determining stockholders entitled to notice of and to vote at a meeting of stockholders shall be at the close of business on the day next preceding the day on which notice is given, or, if notice is waived, at the close of business on the day next preceding the day on which the meeting is held.

A determination of stockholders of record entitled to notice of or to vote at a meeting of stockholders shall apply to any adjournment of the meeting; *provided*, *however*, that the Board may fix a new record date for determination of stockholders entitled to vote at the adjourned meeting, and in such case shall also fix as the record date for stockholders entitled to notice of such adjourned meeting the same or an earlier date as that fixed for determination of stockholders entitled to vote in accordance with the provisions of Section 213 of the DGCL and this **Section 1.10** at the adjourned meeting.

In order that the Company may determine the stockholders entitled to consent to corporate action in writing without a meeting, the Board may fix a record date, which record date shall not precede the date upon which the resolution fixing the record date is adopted by the Board, and which date shall not be more than 10 days after the date upon which the resolution fixing the record date is adopted by the Board. If no record date has been fixed by the Board, the record date for determining stockholders entitled to consent to corporate action in writing without a meeting, when no prior action by the Board is required by law, shall be the first date on which a signed written consent setting forth the action taken or proposed to be taken is delivered to the Company in accordance with applicable law. If no record date has been fixed by the Board and prior action by the Board is required by law, the record date for determining stockholders entitled to consent to corporate action in writing without a meeting shall be at the close of business on the day on which the Board adopts the resolution taking such prior action.

In order that the Company may determine the stockholders entitled to receive payment of any dividend or other distribution or allotment of any rights or the stockholders entitled to exercise any rights in respect of any change, conversion or exchange of stock, or for the purpose of any other lawful action, the Board may fix a record date, which record date shall not precede the date upon which the resolution fixing the record date is adopted, and which record date shall be not more than 60 days prior to such action. If no record date is fixed, the record date for determining stockholders for any such purpose shall be at the close of business on the day on which the Board adopts the resolution relating thereto.

1.11 ***Proxies***. Each stockholder entitled to vote at a meeting of stockholders or to express consent or dissent to corporate action in writing without a meeting may authorize another person or persons to act for such stockholder by proxy authorized by an instrument in writing or by a transmission permitted by law filed in accordance with the procedure established for the meeting, but no such proxy shall be voted or acted upon after three years from its date, unless the proxy provides for a longer period. The revocability of a proxy that states on its face that it is irrevocable shall be governed by the provisions of Section 212 of the DGCL.

1.12 ***List of Stockholders Entitled to Vote***. The officer who has charge of the stock ledger of the Company shall prepare and make, at least ten days before every meeting of stockholders, a complete list of the stockholders entitled to vote at the meeting; *provided*, *however*, if the record date for determining

the stockholders entitled to vote is less than 10 days before the meeting date, the list shall reflect the stockholders entitled to vote as of the tenth day before the meeting date, arranged in alphabetical order, and showing the address of each stockholder and the number of shares registered in the name of each stockholder. The Company shall not be required to include electronic mail addresses or other electronic contact information on such list. Such list shall be open to the examination of any stockholder for any purpose germane to the meeting for a period of at least ten days prior to the meeting: (i) on a reasonably accessible electronic network, *provided* that the information required to gain access to such list is provided with the notice of the meeting, or (ii) during ordinary business hours, at the Company's principal place of business. In the event that the Company determines to make the list available on an electronic network, the Company may take reasonable steps to ensure that such information is available only to stockholders of the Company. If the meeting is to be held at a place, then the list shall be produced and kept at the time and place of the meeting during the whole time thereof, and may be examined by any stockholder who is present. If the meeting is to be held solely by means of remote communication, then the list shall also be open to the examination of any stockholder during the whole time of the meeting on a reasonably accessible electronic network, and the information required to access such list shall be provided with the notice of the meeting.

ARTICLE II — DIRECTORS

2.1 ***Powers***. The business and affairs of the Company shall be managed by or under the direction of the Board, except as may be otherwise provided in the DGCL or the certificate of incorporation.

2.2 ***Number of Directors***. The Board shall consist of one or more members, each of whom shall be a natural person. Unless the certificate of incorporation fixes the number of directors, the number of directors shall be determined from time to time by resolution of the Board. No reduction of the authorized number of directors shall have the effect of removing any director before that director's term of office expires.

2.3 ***Election, Qualification and Term of Office of Directors***. Except as provided in **section 2.4** of these bylaws, and subject to **sections 1.2** and **1.9** of these bylaws, directors shall be elected at each annual meeting of stockholders. Directors need not be stockholders unless so required by the certificate of incorporation or these bylaws. The certificate of incorporation or these bylaws may prescribe other qualifications for directors. Each director shall hold office until such director's successor is elected and qualified or until such director's earlier death, resignation or removal.

2.4 ***Resignation and Vacancies***. Any director may resign at any time upon notice given in writing or by electronic transmission to the Company. A resignation is effective when the resignation is delivered unless the resignation specifies a later effective date or an effective date determined upon the happening of an event or events. A resignation which is conditioned upon the director failing to receive a specified vote for reelection as a director may provide that it is irrevocable. Unless otherwise provided in the certificate of incorporation or these bylaws, when one or more directors resign from the Board, effective at a future date, a majority of the directors then in office, including those who have so resigned, shall have power to fill such vacancy or vacancies, the vote thereon to take effect when such resignation or resignations shall become effective.

Unless otherwise provided in the certificate of incorporation or these bylaws:

(i) Vacancies and newly created directorships resulting from any increase in the authorized number of directors elected by all of the stockholders having the right to vote as a single class may be filled by a majority of the directors then in office, although less than a quorum, or by a sole remaining director.

(ii) Whenever the holders of any class or classes of stock or series thereof are entitled to elect one or more directors by the provisions of the certificate of incorporation, vacancies and newly created directorships of such class or classes or series may be filled by a majority of the directors elected by such class or classes or series thereof then in office, or by a sole remaining director so elected.

If at any time, by reason of death or resignation or other cause, the Company should have no directors in office, then any officer or any stockholder or an executor, administrator, trustee or guardian of a stockholder, or other fiduciary entrusted with like responsibility for the person or estate of a stockholder, may call a special meeting of stockholders in accordance with the provisions of the certificate of incorporation or these bylaws, or may apply to the Court of Chancery for a decree summarily ordering an election as provided in Section 211 of the DGCL.

If, at the time of filling any vacancy or any newly created directorship, the directors then in office constitute less than a majority of the whole Board (as constituted immediately prior to any such increase), the Court of Chancery may, upon application of any stockholder or stockholders holding at least 10% of the voting stock at the time outstanding having the right to vote for such directors, summarily order an election to be held to fill any such vacancies or newly created directorships, or to replace the directors chosen by the directors then in office as aforesaid, which election shall be governed by the provisions of Section 211 of the DGCL as far as applicable.

A director elected to fill a vacancy shall be elected for the unexpired term of his or her predecessor in office and until such director's successor is elected and qualified, or until such director's earlier death, resignation or removal.

2.5 ***Place of Meetings; Meetings by Telephone***. The Board may hold meetings, both regular and special, either within or outside the State of Delaware.

Unless otherwise restricted by the certificate of incorporation or these bylaws, members of the Board, or any committee designated by the Board, may participate in a meeting of the Board, or any committee, by means of conference telephone or other communications equipment by means of which all persons participating in the meeting can hear each other, and such participation in a meeting shall constitute presence in person at the meeting.

2.6 ***Conduct of Business***. Meetings of the Board shall be presided over by the Chairperson of the Board, if any, or in his or her absence by the Vice Chairperson of the Board, if any, or in the absence of the foregoing persons by a chairperson designated by the Board, or in the absence of such designation by a chairperson chosen at the meeting. The Secretary shall act as secretary of the meeting, but in his or her absence the chairperson of the meeting may appoint any person to act as secretary of the meeting.

2.7 ***Regular Meetings***. Regular meetings of the Board may be held without notice at such time and at such place as shall from time to time be determined by the Board.

2.8 ***Special Meetings; Notice***. Special meetings of the Board for any purpose or purposes may be called at any time by the Chairperson of the Board, the Chief Executive Officer, the President, the Secretary or any two directors.

Notice of the time and place of special meetings shall be:

(i) delivered personally by hand, by courier or by telephone;

(ii) sent by United States first-class mail, postage prepaid;

(iii) sent by facsimile; or

(iv) sent by electronic mail,

directed to each director at that director's address, telephone number, facsimile number or electronic mail address, as the case may be, as shown on the Company's records.

If the notice is (i) delivered personally by hand, by courier or by telephone, (ii) sent by facsimile or (iii) sent by electronic mail, it shall be delivered or sent at least 24 hours before the time of the holding of the meeting. If the notice is sent by United States mail, it shall be deposited in the United States mail at least four days before the time of the holding of the meeting. Any oral notice may be communicated to the director. The notice need not specify the place of the meeting (if the meeting is to be held at the Company's principal executive office) nor the purpose of the meeting.

2.9 ***Quorum; Voting***. At all meetings of the Board, a majority of the total authorized number of directors shall constitute a quorum for the transaction of business. If a quorum is not present at any meeting of the Board, then the directors present thereat may adjourn the meeting from time to time, without notice other than announcement at the meeting, until a quorum is present. A meeting at which a quorum is initially present may continue to transact business notwithstanding the withdrawal of directors, if any action taken is approved by at least a majority of the required quorum for that meeting.

The vote of a majority of the directors present at any meeting at which a quorum is present shall be the act of the Board, except as may be otherwise specifically provided by statute, the certificate of incorporation or these bylaws.

If the certificate of incorporation provides that one or more directors shall have more or less than one vote per director on any matter, every reference in these bylaws to a majority or other proportion of the directors shall refer to a majority or other proportion of the votes of the directors.

2.10 ***Board Action by Written Consent Without a Meeting***. Unless otherwise restricted by the certificate of incorporation or these bylaws, any action required or permitted to be taken at any meeting of the Board, or of any committee thereof, may be taken without a meeting if all members of the Board or committee, as the case may be, consent thereto in writing or by electronic transmission and the writing or writings or electronic transmission or transmissions are filed with the minutes of proceedings of the Board or committee. Such filing shall be in paper form if the minutes are maintained in paper form and shall be in electronic form if the minutes are maintained in electronic form.

2.11 ***Fees and Compensation of Directors***. Unless otherwise restricted by the certificate of incorporation or these bylaws, the Board shall have the authority to fix the compensation of directors.

2.12 ***Removal of Directors***. Unless otherwise restricted by statute, the certificate of incorporation or these bylaws, any director or the entire Board may be removed, with or without cause, by the holders of a majority of the shares then entitled to vote at an election of directors.

No reduction of the authorized number of directors shall have the effect of removing any director prior to the expiration of such director's term of office.

ARTICLE III — COMMITTEES

3.1 ***Committees of Directors***. The Board may designate one or more committees, each committee to consist of one or more of the directors of the Company. The Board may designate one or more directors as alternate members of any committee, who may replace any absent or disqualified member at any meeting of the committee. In the absence or disqualification of a member of a committee, the member or members thereof present at any meeting and not disqualified from voting, whether or not such member or members constitute a quorum, may unanimously appoint another member of the Board to act at the meeting in the place of any such absent or disqualified member. Any such committee, to the extent provided in the resolution of the Board or in these bylaws, shall have and may exercise all the powers and authority of the Board in the management of the business and affairs of the Company, and may authorize the seal of the Company to be affixed to all papers that may require it; but no such committee shall have the power or authority to (i) approve or adopt, or recommend to the stockholders, any action or matter (other than the election or removal of directors) expressly required by the DGCL to be submitted to stockholders for approval, or (ii) adopt, amend or repeal any bylaw of the Company.

3.2 ***Committee Minutes***. Each committee shall keep regular minutes of its meetings and report the same to the Board when required.

3.3 ***Meetings and Actions of Committees***. Meetings and actions of committees shall be governed by, and held and taken in accordance with, the provisions of:

(i) **section 2.5** (Place of Meetings; Meetings by Telephone);

(ii) **section 2.7** (Regular Meetings);

(iii) **section 2.8** (Special Meetings; Notice);

(iv) **section 2.9** (Quorum; Voting);

(v) **section 2.10** (Board Action by Written Consent Without a Meeting); and

(vi) **section 7.5** (Waiver of Notice)

with such changes in the context of those bylaws as are necessary to substitute the committee and its members for the Board and its members. *However*:

(i) the time of regular meetings of committees may be determined either by resolution of the Board or by resolution of the committee;

(ii) special meetings of committees may also be called by resolution of the Board; and

(iii) notice of special meetings of committees shall also be given to all alternate members, who shall have the right to attend all meetings of the committee. The Board may adopt rules for the government of any committee not inconsistent with the provisions of these bylaws.

Any provision in the certificate of incorporation providing that one or more directors shall have more or less than one vote per director on any matter shall apply to voting in any committee or subcommittee, unless otherwise provided in the certificate of incorporation or these bylaws.

3.4 ***Subcommittees***. Unless otherwise provided in the certificate of incorporation, these bylaws or the resolutions of the Board designating the committee, a committee may create one or more subcommittees, each subcommittee to consist of one or more members of the committee, and delegate to a subcommittee any or all of the powers and authority of the committee.

ARTICLE IV — OFFICERS

4.1 ***Officers***. The officers of the Company shall be a President and a Secretary. The Company may also have, at the discretion of the Board, a Chairperson of the Board, a Vice Chairperson of the Board, a Chief Executive Officer, one or more Vice Presidents, a Chief Financial Officer, a Treasurer, one or more Assistant Treasurers, one or more Assistant Secretaries, and any such other officers as may be appointed in accordance with the provisions of these bylaws. Any number of offices may be held by the same person.

4.2 ***Appointment of Officers***. The Board shall appoint the officers of the Company, except such officers as may be appointed in accordance with the provisions of **section 4.3** of these bylaws.

4.3 ***Subordinate Officers***. The Board may appoint, or empower the Chief Executive Officer or, in the absence of a Chief Executive Officer, the President, to appoint, such other officers and agents as the business of the Company may require. Each of such officers and agents shall hold office for such period, have such authority, and perform such duties as are provided in these bylaws or as the Board may from time to time determine.

4.4 ***Removal and Resignation of Officers***. Any officer may be removed, either with or without cause, by an affirmative vote of the majority of the Board at any regular or special meeting of the Board or, except in the case of an officer chosen by the Board, by any officer upon whom such power of removal may be conferred by the Board.

Any officer may resign at any time by giving written notice to the Company. Any resignation shall take effect at the date of the receipt of that notice or at any later time specified in that notice. Unless otherwise specified in the notice of resignation, the acceptance of the resignation shall not be necessary to make it effective. Any resignation is without prejudice to the rights, if any, of the Company under any contract to which the officer is a party.

4.5 ***Vacancies in Offices***. Any vacancy occurring in any office of the Company shall be filled by the Board or as provided in **section 4.3**.

4.6 ***Representation of Shares of Other Corporations***. Unless otherwise directed by the Board, the President or any other person authorized by the Board or the President is authorized to vote, represent and exercise on behalf of the Company all rights incident to any and all shares of any other corporation or corporations standing in the name of the Company. The authority granted herein may be exercised either by such person directly or by any other person authorized to do so by proxy or power of attorney duly executed by such person having the authority.

4.7 ***Authority and Duties of Officers***. Except as otherwise provided in these bylaws, the officers of the Company shall have such powers and duties in the management of the Company as may be designated from time to time by the Board and, to the extent not so provided, as generally pertain to their respective offices, subject to the control of the Board.

ARTICLE V — INDEMNIFICATION

5.1 ***Indemnification of Directors and Officers in Third Party Proceedings***. Subject to the other provisions of this Article V, the Company shall indemnify, to the fullest extent permitted by the DGCL, as now or hereinafter in effect, any person who was or is a party or is threatened to be made a party to any threatened, pending or completed action, suit or proceeding, whether civil, criminal, administrative or investigative (a "**Proceeding**") (other than an action by or in the right of the Company) by reason of the fact that such person is or was a director or officer of the Company, or is or was a director or officer of the

Company serving at the request of the Company as a director, officer, employee or agent of another corporation, partnership, joint venture, trust or other enterprise, against expenses (including attorneys' fees), judgments, fines and amounts paid in settlement actually and reasonably incurred by such person in connection with such Proceeding if such person acted in good faith and in a manner such person reasonably believed to be in or not opposed to the best interests of the Company, and, with respect to any criminal action or proceeding, had no reasonable cause to believe such person's conduct was unlawful. The termination of any Proceeding by judgment, order, settlement, conviction, or upon a plea of nolo contendere or its equivalent, shall not, of itself, create a presumption that the person did not act in good faith and in a manner which such person reasonably believed to be in or not opposed to the best interests of the Company, and, with respect to any criminal action or proceeding, had reasonable cause to believe that such person's conduct was unlawful.

5.2 ***Indemnification of Directors and Officers in Actions by or in the Right of the Company***. Subject to the other provisions of this Article V, the Company shall indemnify, to the fullest extent permitted by the DGCL, as now or hereinafter in effect, any person who was or is a party or is threatened to be made a party to any threatened, pending or completed action or suit by or in the right of the Company to procure a judgment in its favor by reason of the fact that such person is or was a director or officer of the Company, or is or was a director or officer of the Company serving at the request of the Company as a director, officer, employee or agent of another corporation, partnership, joint venture, trust or other enterprise against expenses (including attorneys' fees) actually and reasonably incurred by such person in connection with the defense or settlement of such action or suit if such person acted in good faith and in a manner such person reasonably believed to be in or not opposed to the best interests of the Company; except that no indemnification shall be made in respect of any claim, issue or matter as to which such person shall have been adjudged to be liable to the Company unless and only to the extent that the Court of Chancery or the court in which such action or suit was brought shall determine upon application that, despite the adjudication of liability but in view of all the circumstances of the case, such person is fairly and reasonably entitled to indemnity for such expenses which the Court of Chancery or such other court shall deem proper.

5.3 ***Successful Defense***. To the extent that a present or former director or officer of the Company has been successful on the merits or otherwise in defense of any action, suit or proceeding described in **section 5.1** or **section 5.2**, or in defense of any claim, issue or matter therein, such person shall be indemnified against expenses (including attorneys' fees) actually and reasonably incurred by such person in connection therewith.

5.4 ***Indemnification of Others***. Subject to the other provisions of this Article V, the Company shall have power to indemnify its employees and agents to the extent not prohibited by the DGCL or other applicable law. The Board shall have the power to delegate to such person or persons the determination of whether employees or agents shall be indemnified.

5.5 ***Advanced Payment of Expenses***. Expenses (including attorneys' fees) incurred by an officer or director of the Company in defending any Proceeding shall be paid by the Company in advance of the final disposition of such Proceeding upon receipt of a written request therefor (together with documentation reasonably evidencing such expenses) and an undertaking by or on behalf of the person to repay such amounts if it shall ultimately be determined that the person is not entitled to be indemnified under this Article V or the DGCL. Such expenses (including attorneys' fees) incurred by former directors and officers or other employees and agents of the Company or by persons serving at the request of the Company as directors, officers, employees or agents of another corporation, partnership, joint venture, trust or other enterprise may be so paid upon such terms and conditions, if any, as the Company deems appropriate. The right to advancement of expenses shall not apply to any Proceeding for which indemnity is excluded pursuant to these bylaws, but shall apply to any Proceeding referenced in **section 5.6(ii)** or **5.6(iii)** prior to a determination that the person is not entitled to be indemnified by the Company.

Notwithstanding the foregoing, unless otherwise determined pursuant to **section 5.8**, no advance shall be made by the Company to an officer of the Company (except by reason of the fact that such officer is or was a director of the Company, in which event this paragraph shall not apply) in any Proceeding if a determination is reasonably and promptly made (i) by a majority vote of the directors who are not parties to such Proceeding, even though less than a quorum, or (ii) by a committee of such directors designated by majority vote of such directors, even though less than a quorum, or (iii) if there are no such directors, or if such directors so direct, by independent legal counsel in a written opinion, that facts known to the decision-making party at the time such determination is made demonstrate clearly and convincingly that such person acted in bad faith or in a manner that such person did not believe to be in or not opposed to the best interests of the Company.

5.6 ***Limitation on Indemnification***. Subject to the requirements in **section 5.3** and the DGCL, the Company shall not be obligated to indemnify any person pursuant to this Article V in connection with any Proceeding (or any part of any Proceeding):

(i) for which payment has actually been made to or on behalf of such person under any statute, insurance policy, indemnity provision, vote or otherwise, except with respect to any excess beyond the amount paid;

(ii) for an accounting or disgorgement of profits pursuant to Section l6(b) of the Securities Exchange Act of 1934, as amended, or similar provisions of federal, state or local statutory law or common law, if such person is held liable therefor (including pursuant to any settlement arrangements);

(iii) for any reimbursement of the Company by such person of any bonus or other incentive-based or equity-based compensation or of any profits realized by such person from the sale of securities of the Company, as required in each case under the Securities Exchange Act of 1934, as amended (including any such reimbursements that arise from an accounting restatement of the Company pursuant to Section 304 of the Sarbanes-Oxley Act of 2002 (the "**Sarbanes-Oxley Act**"), or the payment to the Company of profits arising from the purchase and sale by such person of securities in violation of Section 306 of the Sarbanes-Oxley Act), if such person is held liable therefor (including pursuant to any settlement arrangements);

(iv) initiated by such person, including any Proceeding (or any part of any Proceeding) initiated by such person against the Company or its directors, officers, employees, agents or other indemnitees, unless (a) the Board authorized the Proceeding (or the relevant part of the Proceeding) prior to its initiation, (b) the Company provides the indemnification, in its sole discretion, pursuant to the powers vested in the Company under applicable law, (c) otherwise required to be made under **section 5.7** or (d) otherwise required by applicable law; or

(v) if prohibited by applicable law.

5.7 ***Determination; Claim***. If a claim for indemnification or advancement of expenses under this Article V is not paid by the Company or on its behalf within 90 days after receipt by the Company of a written request therefor, the claimant shall be entitled to an adjudication by a court of competent jurisdiction of his or her entitlement to such indemnification or advancement of expenses. To the extent not prohibited by law, the Company shall indemnify such person against all expenses actually and reasonably incurred by such person in connection with any action for indemnification or advancement of expenses from the Company under this Article V, to the extent such person is successful in such action[, and, if requested by such person, shall advance such expenses to such person, subject to the provisions of **section 5.5**]. In any such suit, the Company shall, to the fullest extent not prohibited by law, have the burden of proving that the claimant is not entitled to the requested indemnification or advancement of expenses.

5.8 ***Non-Exclusivity of Rights***. The indemnification and advancement of expenses provided by, or granted pursuant to, this Article V shall not be deemed exclusive of any other rights to which those seeking indemnification or advancement of expenses may be entitled under the certificate of incorporation or any statute, bylaw, agreement, vote of stockholders or disinterested directors or otherwise, both as to action in such person's official capacity and as to action in another capacity while holding such office. The Company is specifically authorized to enter into individual contracts with any or all of its directors, officers, employees or agents respecting indemnification and advancement of expenses, to the fullest extent not prohibited by the DGCL or other applicable law.

5.9 ***Insurance***. The Company may purchase and maintain insurance on behalf of any person who is or was a director, officer, employee or agent of the Company, or is or was serving at the request of the Company as a director, officer, employee or agent of another corporation, partnership, joint venture, trust or other enterprise against any liability asserted against such person and incurred by such person in any such capacity, or arising out of such person's status as such, whether or not the Company would have the power to indemnify such person against such liability under the provisions of the DGCL.

5.10 ***Survival***. The rights to indemnification and advancement of expenses conferred by this Article V shall continue as to a person who has ceased to be a director, officer, employee or agent and shall inure to the benefit of the heirs, executors and administrators of such a person.

5.11 ***Effect of Repeal or Modification***. Any amendment, alteration or repeal of this Article V shall not adversely affect any right or protection hereunder of any person in respect of any act or omission occurring prior to such amendment, alteration or repeal.

5.12 ***Certain Definitions***. For purposes of this Article V, references to the "**Company**" shall include, in addition to the resulting corporation, any constituent corporation (including any constituent of a constituent) absorbed in a consolidation or merger which, if its separate existence had continued, would have had power and authority to indemnify its directors, officers, employees or agents, so that any person who is or was a director, officer, employee or agent of such constituent corporation, or is or was serving at the request of such constituent corporation as a director, officer, employee or agent of another corporation, partnership, joint venture, trust or other enterprise, shall stand in the same position under the provisions of this Article V with respect to the resulting or surviving corporation as such person would have with respect to such constituent corporation if its separate existence had continued. For purposes of this Article V, references to "other enterprises" shall include employee benefit plans; references to "fines" shall include any excise taxes assessed on a person with respect to an employee benefit plan; and references to "serving at the request of the Company" shall include any service as a director, officer, employee or agent of the Company which imposes duties on, or involves services by, such director, officer, employee or agent with respect to an employee benefit plan, its participants or beneficiaries; and a person who acted in good faith and in a manner such person reasonably believed to be in the interest of the participants and beneficiaries of an employee benefit plan shall be deemed to have acted in a manner "not opposed to the best interests of the Company" as referred to in this Article V.

ARTICLE VI — STOCK

6.1 ***Stock Certificates; Partly Paid Shares***. The shares of the Company shall be represented by certificates, *provided* that the Board may provide by resolution or resolutions that some or all of any or all classes or series of its stock shall be uncertificated shares. Any such resolution shall not apply to shares represented by a certificate until such certificate is surrendered to the Company. Every holder of stock

represented by certificates shall be entitled to have a certificate signed by, or in the name of the Company by the Chairperson of the Board or Vice-Chairperson of the Board, or the President or a Vice-President, and by the Treasurer or an Assistant Treasurer, or the Secretary or an Assistant Secretary of the Company representing the number of shares registered in certificate form. Any or all of the signatures on the certificate may be a facsimile. In case any officer, transfer agent or registrar who has signed or whose facsimile signature has been placed upon a certificate has ceased to be such officer, transfer agent or registrar before such certificate is issued, it may be issued by the Company with the same effect as if such person were such officer, transfer agent or registrar at the date of issue. The Company shall not have power to issue a certificate in bearer form.

The Company may issue the whole or any part of its shares as partly paid and subject to call for the remainder of the consideration to be paid therefor. Upon the face or back of each stock certificate issued to represent any such partly paid shares, or upon the books and records of the Company in the case of uncertificated partly paid shares, the total amount of the consideration to be paid therefor and the amount paid thereon shall be stated. Upon the declaration of any dividend on fully paid shares, the Company shall declare a dividend upon partly paid shares of the same class, but only upon the basis of the percentage of the consideration actually paid thereon.

6.2 ***Special Designation on Certificates***. If the Company is authorized to issue more than one class of stock or more than one series of any class, then the powers, the designations, the preferences, and the relative, participating, optional or other special rights of each class of stock or series thereof and the qualifications, limitations or restrictions of such preferences and/or rights shall be set forth in full or summarized on the face or back of the certificate that the Company shall issue to represent such class or series of stock; *provided* that, except as otherwise provided in Section 202 of the DGCL, in lieu of the foregoing requirements there may be set forth on the face or back of the certificate that the Company shall issue to represent such class or series of stock, a statement that the Company will furnish without charge to each stockholder who so requests the powers, designations, preferences and relative, participating, optional or other special rights of each class of stock or series thereof and the qualifications, limitations or restrictions of such preferences and/or rights. Within a reasonable time after the issuance or transfer of uncertificated stock, the Company shall send to the registered owner thereof a written notice containing the information required to be set forth or stated on certificates pursuant to this **section 6.2** or Sections 156, 202(a) or 218(a) of the DGCL or with respect to this **section 6.2** a statement that the Company will furnish without charge to each stockholder who so requests the powers, designations, preferences and relative, participating, optional or other special rights of each class of stock or series thereof and the qualifications, limitations or restrictions of such preferences and/or rights. Except as otherwise expressly provided by law, the rights and obligations of the holders of uncertificated stock and the rights and obligations of the holders of certificates representing stock of the same class and series shall be identical.

6.3 ***Lost Certificates***. Except as provided in this **section 6.3**, no new certificates for shares shall be issued to replace a previously issued certificate unless the latter is surrendered to the Company and cancelled at the same time. The Company may issue a new certificate of stock or uncertificated shares in the place of any certificate theretofore issued by it, alleged to have been lost, stolen or destroyed, and the Company may require the owner of the lost, stolen or destroyed certificate, or such owner's legal representative, to give the Company a bond sufficient to indemnify it against any claim that may be made against it on account of the alleged loss, theft or destruction of any such certificate or the issuance of such new certificate or uncertificated shares.

6.4 ***Dividends***. The Board, subject to any restrictions contained in the certificate of incorporation or applicable law, may declare and pay dividends upon the shares of the Company's capital stock. Dividends may be paid in cash, in property, or in shares of the Company's capital stock, subject to the provisions of the certificate of incorporation.

The Board may set apart out of any of the funds of the Company available for dividends a reserve or reserves for any proper purpose and may abolish any such reserve.

6.5 ***Stock Transfer Agreements***. The Company shall have power to enter into and perform any agreement with any number of stockholders of any one or more classes of stock of the Company to restrict the transfer of shares of stock of the Company of any one or more classes owned by such stockholders in any manner not prohibited by the DGCL.

6.6 ***Registered Stockholders***. The Company:

(i) shall be entitled to recognize the exclusive right of a person registered on its books as the owner of shares to receive dividends and to vote as such owner;

(ii) shall be entitled to hold liable for calls and assessments the person registered on its books as the owner of shares; and

(iii) shall not be bound to recognize any equitable or other claim to or interest in such share or shares on the part of another person, whether or not it shall have express or other notice thereof, except as otherwise provided by the laws of Delaware.

6.7 ***Transfers***. Transfers of record of shares of stock of the Company shall be made only upon its books by the holders thereof, in person or by an attorney duly authorized, and, if such stock is certificated, upon the surrender of a certificate or certificates for a like number of shares, properly endorsed or accompanied by proper evidence of succession, assignation or authority to transfer.

ARTICLE VII — MANNER OF GIVING NOTICE AND WAIVER

7.1 ***Notice of Stockholder Meetings***. Notice of any meeting of stockholders, if mailed, is given when deposited in the United States mail, postage prepaid, directed to the stockholder at such stockholder's address as it appears on the Company's records. An affidavit of the Secretary or an Assistant Secretary of the Company or of the transfer agent or other agent of the Company that the notice has been given shall, in the absence of fraud, be *prima facie* evidence of the facts stated therein.

7.2 ***Notice by Electronic Transmission***. Without limiting the manner by which notice otherwise may be given effectively to stockholders pursuant to the DGCL, the certificate of incorporation or these bylaws, any notice to stockholders given by the Company under any provision of the DGCL, the certificate of incorporation or these bylaws shall be effective if given by a form of electronic transmission consented to by the stockholder to whom the notice is given. Any such consent shall be revocable by the stockholder by written notice to the Company. Any such consent shall be deemed revoked if:

(i) the Company is unable to deliver by electronic transmission two consecutive notices given by the Company in accordance with such consent; and

(ii) such inability becomes known to the Secretary or an Assistant Secretary of the Company or to the transfer agent, or other person responsible for the giving of notice.

However, the inadvertent failure to treat such inability as a revocation shall not invalidate any meeting or other action.

Any notice given pursuant to the preceding paragraph shall be deemed given:

(i) if by facsimile telecommunication, when directed to a number at which the stockholder has consented to receive notice;

(ii) if by electronic mail, when directed to an electronic mail address at which the stockholder has consented to receive notice;

(iii) if by a posting on an electronic network together with separate notice to the stockholder of such specific posting, upon the later of (A) such posting and (B) the giving of such separate notice; and

(iv) if by any other form of electronic transmission, when directed to the stockholder.

An affidavit of the Secretary or an Assistant Secretary or of the transfer agent or other agent of the Company that the notice has been given by a form of electronic transmission shall, in the absence of fraud, be *prima facie* evidence of the facts stated therein.

An "electronic transmission" means any form of communication, not directly involving the physical transmission of paper, that creates a record that may be retained, retrieved, and reviewed by a recipient thereof, and that may be directly reproduced in paper form by such a recipient through an automated process.

Notice by a form of electronic transmission shall not apply to Sections 164, 296, 311, 312 or 324 of the DGCL.

7.3 ***Notice to Stockholders Sharing an Address***. Except as otherwise prohibited under the DGCL, without limiting the manner by which notice otherwise may be given effectively to stockholders, any notice to stockholders given by the Company under the provisions of the DGCL, the certificate of incorporation or these bylaws shall be effective if given by a single written notice to stockholders who share an address if consented to by the stockholders at that address to whom such notice is given. Any such consent shall be revocable by the stockholder by written notice to the Company. Any stockholder who fails to object in writing to the Company, within 60 days of having been given written notice by the Company of its intention to send the single notice, shall be deemed to have consented to receiving such single written notice.

7.4 ***Notice to Person with Whom Communication is Unlawful***. Whenever notice is required to be given, under the DGCL, the certificate of incorporation or these bylaws, to any person with whom communication is unlawful, the giving of such notice to such person shall not be required and there shall be no duty to apply to any governmental authority or agency for a license or permit to give such notice to such person. Any action or meeting which shall be taken or held without notice to any such person with whom communication is unlawful shall have the same force and effect as if such notice had been duly given. In the event that the action taken by the Company is such as to require the filing of a certificate under the DGCL, the certificate shall state, if such is the fact and if notice is required, that notice was given to all persons entitled to receive notice except such persons with whom communication is unlawful.

7.5 ***Waiver of Notice***. Whenever notice is required to be given under any provision of the DGCL, the certificate of incorporation or these bylaws, a written waiver, signed by the person entitled to notice, or a waiver by electronic transmission by the person entitled to notice, whether before or after the time of the event for which notice is to. be given, shall be deemed equivalent to notice. Attendance of a person at a meeting shall constitute a waiver of notice of such meeting, except when the person attends a meeting for the express purpose of objecting at the beginning of the meeting, to the transaction of any business because the meeting is not lawfully called or convened. Neither the business to be transacted at, nor the purpose of, any regular or special meeting of the stockholders need be specified in any written waiver of notice or any waiver by electronic transmission unless so required by the certificate of incorporation or these bylaws.

ARTICLE VIII — GENERAL MATTERS

8.1 ***Fiscal Year***. The fiscal year of the Company shall be fixed by resolution of the Board and may be changed by the Board.

8.2 ***Seal***. The Company may adopt a corporate seal, which shall be in such form as may be approved from time to time by the Board. The Company may use the corporate seal by causing it or a facsimile thereof to be impressed or affixed or in any other manner reproduced.

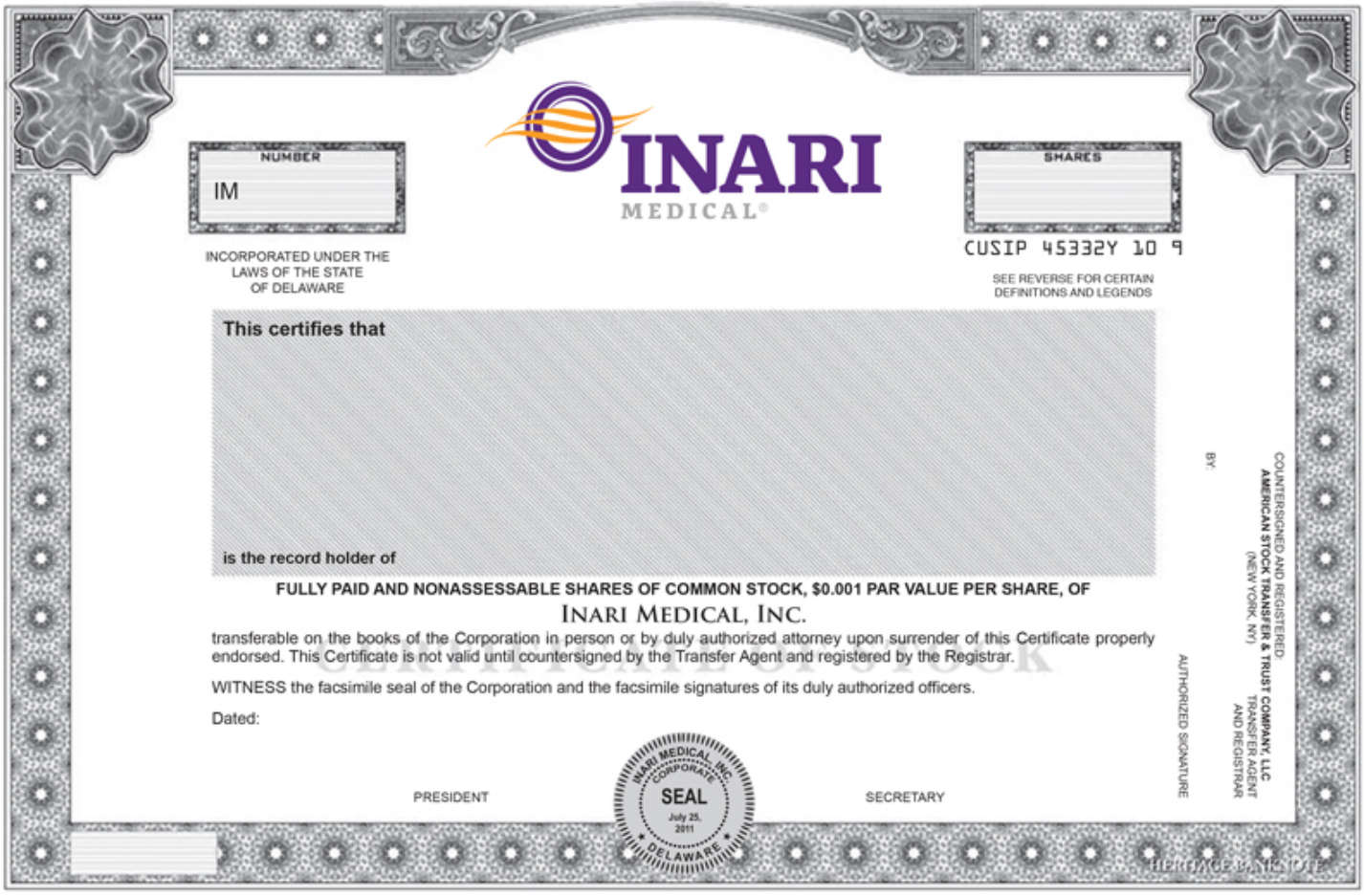
8.3 ***Annual Report***. The Company shall cause an annual report to be sent to the stockholders of the Company to the extent required by applicable law. If and so long as there are fewer than 100 holders of record of the Company's shares, the requirement of sending an annual report to the stockholders of the Company is expressly waived (to the extent permitted under applicable law).

8.4 ***Construction; Definitions***. Unless the context requires otherwise, the general provisions, rules of construction, and definitions in the DGCL shall govern the construction of these bylaws. Without limiting the generality of this provision, the singular number includes the plural, the plural number includes the singular, and the term "person" includes both a corporation and a natural person.

ARTICLE IX — AMENDMENTS

These bylaws may be adopted, amended or repealed by the stockholders entitled to vote. However, the Company may, in its certificate of incorporation, confer the power to adopt, amend or repeal bylaws upon the directors. The fact that such power has been so conferred upon the directors shall not divest the stockholders of the power, nor limit their power to adopt, amend or repeal bylaws.

A bylaw amendment adopted by stockholders which specifies the votes that shall be necessary for the election of directors shall not be further amended or repealed by the Board.



NUMBER
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INARI MEDICAL®

SHARES

CUSIP 45332Y 10 9

INCORPORATED UNDER THE LAWS OF THE STATE OF DELAWARE

SEE REVERSE FOR CERTAIN DEFINITIONS AND LEGENDS

This certifies that

is the record holder of

FULLY PAID AND NONASSESSABLE SHARES OF COMMON STOCK, $0.001 PAR VALUE PER SHARE, OF

INARI MEDICAL, INC.

transferable on the books of the Corporation in person or by duly authorized attorney upon surrender of this Certificate properly endorsed. This Certificate is not valid until countersigned by the Transfer Agent and registered by the Registrar.

WITNESS the facsimile seal of the Corporation and the facsimile signatures of its duly authorized officers.

Dated:

PRESIDENT

INARI MEDICAL, INC. CORPORATE SEAL July 25, 2011 DELAWARE

SECRETARY

BY:

AUTHORIZED SIGNATURE

COUNTERSIGNED AND REGISTERED:
AMERICAN STOCK TRANSFER & TRUST COMPANY, LLC
(NEW YORK, NY)
TRANSFER AGENT AND REGISTRAR

The Corporation shall furnish without charge to each stockholder who so requests a statement of the powers, designations, preferences and relative, participating, optional or other special rights of each class of stock of the Corporation or series thereof and the qualifications, limitations or restrictions of such preferences and/or rights. Such requests shall be made to the Corporation's Secretary at the principal office of the Corporation.

KEEP THIS CERTIFICATE IN A SAFE PLACE. IF IT IS LOST, STOLEN,OR DESTROYED THE CORPORATION WILL REQUIRE A BOND INDEMNITY AS A CONDITION TO THE ISSUANCE OF A REPLACEMENT CERTIFICATE.

The following abbreviations, when used in the inscription on the face of this certificate, shall be construed as though they were written out in full according to applicable laws or regulations:

TEN COM	–	as tenants in common
TEN ENT	–	as tenants by the entireties
JT TEN	–	as joint tenants with right of survivorship and not as tenants in common
COM PROP	–	as community property

UNIF GIFT MIN ACT – ..... Custodian .....
(Cust) (Minor)
under Uniform Gifts to Minors Act.....
(State)

UNIF TRF MIN ACT – ..... Custodian (until age .....)
(Cust)
..... under Uniform Transfers
(Minor)
to Minors Act.....
(State)

Additional abbreviations may also be used though not in the above list.

FOR VALUE RECEIVED, _____ hereby sell(s), assign(s) and transfer(s) unto

PLEASE INSERT SOCIAL SECURITY OR OTHER IDENTIFYING NUMBER OF ASSIGNEE

_____

(PLEASE PRINT OR TYPEWRITE NAME AND ADDRESS, INCLUDING ZIP CODE, OF ASSIGNEE)

_____

_____

_____ shares of the capital stock represented by within Certificate, and do hereby irrevocably constitute and appoint

_____ attorney-in-fact to transfer the said stock on the books of the within named Corporation with full power of the substitution in the premises.

Dated _____

X _____

X _____

Signature(s) Guaranteed:

NOTICE: THE SIGNATURE TO THIS ASSIGNMENT MUST CORRESPOND WITH THE NAME AS WRITTEN UPON THE FACE OF THE CERTIFICATE IN EVERY PARTICULAR, WITHOUT ALTERATION OR ENLARGEMENT OR ANY CHANGE WHATSOEVER.

By _____

THE SIGNATURE(S) SHOULD BE GUARANTEED BY AN ELIGIBLE GUARANTOR INSTITUTION, (BANKS, STOCKBROKERS, SAVINGS AND LOAN ASSOCIATIONS AND CREDIT UNIONS WITH MEMBERSHIP IN AN APPROVED SIGNATURE GUARANTEE MEDALLION PROGRAM), PURSUANT TO S.E.C. RULE 17Ad-15. GUARANTEES BY A NOTARY PUBLIC ARE NOT ACCEPTABLE. SIGNATURE GUARANTEES MUST NOT BE DATED.

INARI MEDICAL, INC.
9272 Jeronimo Road, Suite 124
Irvine, California 92618

SECOND AMENDED AND RESTATED INVESTORS' RIGHTS AGREEMENT

March 29, 2018

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INARI MEDICAL, INC.

SECOND AMENDED AND RESTATED INVESTORS' RIGHTS AGREEMENT

This Second Amended and Restated Investors' Rights Agreement (as amended from time to time, this "**Agreement**"**),** dated March 29, 2018 (the "**Effective Date**"**),** is executed by and among Inari Medical, Inc., a Delaware corporation (the "**Company**"**),** and the persons identified on Exhibit A (each, an "**Investor**" and, collectively, the "**Investors**"**).** The Company and the Investors are each individually referred to in this Agreement as a "**Party**," and are collectively referred to in this Agreement as the "**Parties.**" Otherwise undefined capitalized terms used in this Agreement are defined in Section 4.1.

RECITALS

WHEREAS, certain of the Investors (the "**Existing Investors**"**)** hold shares of the Company's Series B Preferred Stock and Series A Preferred Stock and/or shares of Common Stock issued upon conversion thereof and possess registration rights, information rights, rights of first offer, and other rights pursuant to an Amended and Restated Investors' Rights Agreement dated as of June 18, 2015 between the Company and such Investors (as amended, the "**Prior Agreement**"**);** and

WHEREAS, the Existing Investors are holders of at two-thirds of the Registrable Securities of the Company (as defined in the Prior Agreement, and desire to amend and restate the Prior Agreement in its entirety and to accept the rights created pursuant to this Agreement in lieu of the rights granted to them under the Prior Agreement; and

WHEREAS, certain of the Investors are parties to that certain Series C Preferred Stock Purchase Agreement of even date herewith between the Company and certain of the Investors (the "**Purchase Agreement**"), under which certain of the Company's and such Investors' obligations are conditioned upon the execution and delivery of this Agreement by such Investors, Existing Investors holding at least two-thirds of the Registrable Securities, and the Company;

NOW, THEREFORE, the Existing Investors hereby agree that the Prior Agreement shall be amended and restated in its entirety by this Agreement and parties to this Agreement further agree as follows:

Section 1

Securities Transfer Restrictions and Registration Rights

1.1 Transfer Restrictions

(a) Each Holder agrees not to make any disposition of all or any portion of the Registrable Securities unless and until the transferee has agreed in writing for the Company's benefit to be bound by this Section 1.1, provided that and to the extent that this Section 1.1 is then applicable, and provided further that:

(i) a registration statement under the Securities Act is then effective, which effective registration statement covers such proposed disposition and such disposition is made in accordance with such effective registration statement; or

(ii) such Holder will have notified the Company of the proposed disposition and will have furnished the Company with a detailed statement of the circumstances surrounding the proposed disposition, and such Holder will have furnished the Company with an opinion of counsel, reasonably satisfactory to the Company, that such disposition will not require registration of such Registrable Securities under the Securities Act.

(iii) Notwithstanding the provisions of Section 1.1(a)(i) and Section 1.1(a)(ii), no such registration statement or opinion of counsel will be necessary for a transfer by a Holder (A) that is a partnership if such transfer is made to such Holder's partners or retired partners in accordance with partnership interests, (B) that is a corporation if such transfer is made to such corporation's stockholders in accordance with such stockholders' interest in such corporation, (C) that is a limited liability company if such transfer is made to such limited liability company's members or former members in accordance with such members' interest in the limited liability company, or (D) who is an individual if such transfer is made to such Holder's family member or to such Holder's trust for the benefit of such Holder or such Holder's family member, or (E) if such transfer is made to such Holder's affiliate (including, in the case of a venture capital fund, other venture capital funds affiliated with such fund); provided that, in each case, the transferee will be subject to the terms of this Section 1.1 to the same extent as if such transferee were an original Holder under this Agreement.

(b) Unless otherwise specified by the provisions of this Agreement, each certificate representing Registrable Securities will be stamped or otherwise imprinted with a legend substantially similar· to the following legend (in addition to any legend required under applicable state securities laws):

> THE SECURITIES REPRESENTED BY THIS CERTIFICATE HAVE NOT BEEN REGISTERED UNDER THE SECURITIES ACT OF 1933, AS AMENDED (THE "**ACT**") AND MAY NOT BE OFFERED, SOLD, OR OTHERWISE TRANSFERRED, PLEDGED, OR HYPOTHECATED UNLESS AND UNTIL REGISTERED UNDER THE ACT OR, IN THE OPINION OF COUNSEL SATISFACTORY TO THE ISSUER OF THESE SECURITIES, SUCH OFFER, SALE, OR TRANSFER, PLEDGE, OR HYPOTHECATION OTHERWISE COMPLIES WITH THE ACT.

(c) At any Holder's request, the Company will be obligated to reissue to such Holder certificates without the legend specified in Section 1.l(b), if such Holder will have (i) received an opinion of counsel at such Holder's expense (which counsel may be the Company's counsel) reasonably acceptable to the Company to the effect that the securities proposed to be disposed of may lawfully be disposed of without registration, qualification, or legend and (ii) delivered such securities to the Company or to the Company's transfer agent.

(d) Any legend endorsed on an instrument pursuant to applicable state securities laws and the stop-transfer instructions with respect to such securities will be removed when the Company receives an order of the appropriate state securities law authority authorizing such removal.

1.2 Requested Registration.

(a) Registration Request. At any time or times beginning on the earlier of the third anniversary of the Effective Date or the 180th day after the first closing of the Company's initial public offering of Common Stock, if the Company will receive from Initiating Holders a written request (the "**Initial Request**") that the Company register all or a part of the Registrable Securities and if such Registrable Securities registration is anticipated to result in an aggregate offering price to the public in excess of $10,000,000, then the Company will:

(i) give written notice of the proposed registration to all other Holders within 10 days of the receipt thereof from such Initiating Holders (the "**Registration Notice**"); and

(ii) as soon as practicable, and in any event within 90 days of the receipt of such request, use the Company's best efforts to effect such registration (including filing post-effective amendments, receiving appropriate qualifications under applicable blue sky laws or other state securities laws, and complying appropriately with the Securities Act) so as to permit or facilitate the sale and distribution of all or such portion of such Registrable Securities that are specified in the Initial Request, together with all or such portion of the Registrable Securities of any other Holder or Holders joining in the Initial Request as are specified in a written request received by the Company within 20 days after the Company mails or delivers the Registration Notice. Notwithstanding anything to the contrary in this Agreement, if the registration requested is to be an underwritten offering and if the underwriters have not limited the number of Registrable Securities to be underwritten, then the Company will be entitled, at the Company's sole election, to join in any such registration with respect to securities to be offered by the Company or by any other person or entity.

(b) Registration Request Limitations. Notwithstanding anything to the contrary in this Agreement, the Company will not be obligated to effect, or to take any action to effect, any such registration pursuant to Section 1.2(a):

(i) in any particular jurisdiction in which the Company would be required to execute a general consent to service of process in effecting such registration, qualification, or compliance, unless the Company is already subject to service in such jurisdiction and except as may be required by the Securities Act;

(ii) after the Company has initiated two (2) such registrations pursuant to Section 1.2(a) (counting for these purposes only (A) registrations that have been declared or ordered effective and pursuant to which securities have been sold and (B) registrations that have been withdrawn by the Holders as to which the Holders have exercised a Demand Forfeiture pursuant to Section 1.4);

(iii) during the time period starting with the effective date of a Company-initiated registration and ending on the date that is 180 days after such effective date; provided that, in each such case, the starting date for such time period will begin on the date that is 90 days before the Company's good faith estimate of the filing date for a Company-initiated registration if the Company has delivered, within 30 days after receiving the Initial Request, written notice to the Holders specifying that the Company intends to file a registration statement for an initial public offering within 90 days after receiving the Initial Request;

(iv) if the Initiating Holders propose to dispose of shares of Registrable Securities that may be immediately registered on Form S-3 pursuant to a request made under Section 1.5; or

(v) if (A) in the good faith judgment of the Company's Board of Directors, such registration would be detrimental to the Company and the Company's Board of Directors concludes, as a result, that the best interests of the Company and the Company's stockholders require the Company to defer filing such registration statement at such time, and (B) the Company will furnish to such Holders a certificate signed by the Company's President stating that, in the good faith judgment of the Company's Board of Directors, filing such registration statement in the near future would be detrimental to the Company and that, therefore, the Company's best interests require the Company to defer the filing of such registration statement; provided that the Company will have the right to defer such filing (except as provided in Section 1.2(b)(iii)) for a period of not more than 90 days after the Company receives the Initial Request in accordance with Section 1.2(a); and provided further that the Company will not defer the Company's registration obligation in this manner more than once in any consecutive twelve month period.

(c) Participation. Subject to Section 1.2(e), the registration statement filed pursuant to the Initiating Holders' request may include other Company securities with respect to which registration rights have been granted, and may include Company Securities being sold for the Company's account.

(d) Underwriting. If the requested registration is an underwritten offering, any Holder's right to registration pursuant to Section 1.2 will be conditioned upon such Holder's participation in such underwriting and the inclusion of such Holder's Registrable Securities in the underwriting (unless otherwise mutually agreed by the Initiating Holders holding at least two-thirds of the Registrable Securities held by all Initiating Holders and by such Holder with respect to such participation and inclusion) to the extent provided in this Agreement. A Holder may elect to include in such underwriting all or a part of the Registrable Securities held by such Holder.

(e) Inclusion of Other Securities.

(i) In any registration pursuant to Section 1.2, if the Company will request inclusion of securities being sold for the Company's own account, or if other persons will request inclusion in any registration pursuant to Section 1.2, then the Initiating Holders will, on behalf of all Holders, offer to include such securities in the underwriting and may condition such offer on acceptance by the Company and/or such other persons (as applicable) of the further

applicable provisions of this Section 1 (including Section 1.12). If the requested registration is an underwritten offering, then the Company will (together with all Holders and other persons proposing to distribute securities held by such Holders and/or such other persons (as applicable) through such underwriting) enter into an underwriting agreement in customary form with the representative of the underwriter or underwriters selected for such underwriting by the Initiating Holders holding at least two-thirds of the Registrable Securities held by all Initiating Holders, which underwriters will be reasonably acceptable to the Company.

(ii) Notwithstanding any other provision of this Section 1.2, but subject to the next sentence of this Section 1.2(e), if the underwriter advises the Company that marketing factors require a limitation of the number of securities underwritten (including Registrable Securities), then the Company will so advise all Holders that would otherwise be included in such underwriting pursuant to this Section 1.2, and the number of shares that may be included in the underwriting will be allocated to the Holders on a pro-rata basis based on the number of Registrable Securities held by all such Holders (including the Initiating Holders). Notwithstanding any of the foregoing provisions in this Section 1.2, in no event will any Registrable Securities held by the Initiating Holders be excluded from such underwriting, unless all other securities are first categorically excluded. Any Registrable Securities excluded or withdrawn from such underwriting will be withdrawn from the registration.

1.3 Company Registration.

(a) If the Company, in its sole discretion, will determine to register any of the Company's securities, either for the Company's own account or for the account of a Holder or Holders exercising their respective demand registration rights (other than pursuant to Section 1.2, other than pursuant to Section 1.5, other than a registration relating solely to employee benefit plans, other than a registration relating to the offer and sale of debt securities, other than a registration relating to a corporate reorganization or other transaction on Form S-4 , and other than a registration on any registration form that does not permit secondary sales), then the Company will:

(i) promptly give to each Holder written notice of the Company's intention to register such Company securities (the "**Company Notice**"); and

(ii) use the Company's commercially reasonable efforts to include in such registration (and any related qualification under blue sky laws or other compliance), except as set forth in Section 1.3(b), and in any underwriting involved in such registration, all the Registrable Securities specified in a written request or requests made by any Holder and received by the Company within 20 days after the Company mailed or delivered the Company Notice to such Holder. Such written request may specify all or a part of a Holder's Registrable Securities.

(b) Underwriting. If the registration for which the Company gives notice is for a registered public offering involving an underwriting, then the Company will so advise the Holders as a part of the Company Notice. In such event, any Holder's right to registration pursuant to this Section 1.3 will be conditioned upon such Holder's participation in such underwriting and the inclusion of such Holder's Registrable Securities in the underwriting to

the extent provided in this Agreement. All Holders proposing to distribute such Holders' securities through such underwriting will (together with the Company and the other holders of Company securities with registration rights to participate in such underwriting and distributing such other holders' securities through such underwriting) enter into an underwriting agreement in customary form with the representative of the underwriter or underwriters selected by the Company.

(c) Pro Rata Allocation and Inclusion of Other Securities.

(i) Notwithstanding any other provision of this Section 1.3, if an underwriters' representative, in its sole discretion, determines that less than all of the Registrable Securities requested to be registered can be included in such offering, then the Registrable Securities that are included in such offering will be apportioned pro rata among the selling Holders based on the number of Registrable Securities held by all selling Holders or in such other proportions as all such selling Holders will mutually agree. Notwithstanding the foregoing, in no event will the amount of the selling Holders' securities included in the offering be reduced below 30% of the total amount of Securities included in such offering, unless such offering is the Company's initial public offering, in which case the selling Holders may be excluded entirely if an underwriters' representative makes the determination described above and if no other stockholder's securities are included.

(ii) No securities held by any selling Holder will be excluded from such offering pursuant to this Section 1.3(c) unless all shares proposed to be sold by any other stockholder are first excluded from such offering; provided that no such exclusion will be required if such other stockholder receives the prior written consent of the holders of two-thirds of the Registrable Securities. For purposes of the preceding provisions concerning apportionment, for any selling stockholder that is both a Holder and a venture capital fund, partnership, or corporation, the affiliated venture capital funds, partners, retired partners, and stockholders of such Holder, or the estates and family members of any such partners and retired partners and any trusts for the benefit of any of the foregoing persons will be deemed to be a single "selling Holder," and any pro rata reduction with respect to such "selling Holder" will be based upon the aggregate amount of Registrable Securities owned by all such related entities and individuals.

(d) Withdrawn Securities. If any person does not agree to the terms of any such underwriting, then such person will be excluded from such underwriting by written notice from the Company or an underwriters' representative. Any Registrable Securities or other securities excluded or withdrawn from such underwriting will also be withdrawn from such registration. To facilitate the allocation of shares in accordance with the foregoing provisions, the Company or the underwriter(s) may round the number of shares allocated to any Holder to the nearest 100 shares. If shares are so withdrawn from the registration and if the number of shares of Registrable Securities to be included in such registration was previously reduced as a result of marketing factors, then the Company will then offer to all persons who have retained the right to include securities in the registration the right to include additional securities in the registration in an aggregate amount equal to the number of shares so withdrawn, with such shares to be allocated among the persons requesting additional inclusion in accordance with Section 1.3(c).

(e) Right to Terminate Registration. The Company will have the right to terminate or withdraw any registration initiated by the Company under this Section 1.3 before such registration becomes effective, regardless of whether any Holder has elected to include securities in such registration. The Company will pay the expenses for any such terminated or withdrawn registration pursuant to Section 1.4.

1.4 Registration Expenses. The Company will pay for all Registration Expenses (exclusive of any underwriting discounts and commissions) incurred in connection with any registration, qualification, or compliance pursuant to Section 1.2, Section 1.3, and Section 1.5 and for the reasonable and documented fees of one counsel for the selling stockholders (such fees not to exceed $35,000.00). Notwithstanding the foregoing, the Company will not be required to pay for any expenses of any registration, qualification, or compliance begun pursuant to Section 1.2 if the registration request is subsequently withdrawn at the request of the Holders of two-thirds of the Registrable Securities to be registered (in which case all participating Holders will bear· such expenses pro-rata based upon the number of Registrable Securities that were to be requested in the withdrawn registration); provided, however, that, if at the time of such withdrawal, the Holders have learned of a material adverse change in the Company's condition, business, or prospects from that known to the Holders at the time of their request and have withdrawn the request with reasonable promptness after learning of such material adverse change, then the Holders will not be required to pay any of such expenses and will retain their rights pursuant to Section 1.2, if any. Notwithstanding anything to the contrary in this Section 1.4, if (a) the Holders have withdrawn a registration pursuant to this Section 1.4, (b) the Holders would otherwise be required to pay all Registration Expenses for such withdrawn registration pursuant to this Section 1.4, (c) at least one demand registration remains available to the Holders pursuant to Section 1.2, and (d) the Holders of two-thirds of all Registrable Securities agree to forfeit all Holders' right to one demand registration pursuant to Section 1.2 (a "**Demand Forfeiture**"), then the Company will pay all Registration Expenses for such withdrawn registration. All Selling Expenses relating to Securities so registered will be borne by the holders of such securities pro-rata on the basis of the number of shares of securities so registered on such holders' behalf, as will any other expenses in connection with the registration required to be paid by the holders of such securities.

1.5 Registration on Form S-3.

(a) Form S-3 Registration Obligation. After the Company's initial public offering, the Company will use the Company's commercially reasonable efforts to qualify for registration on Form S-3 or any comparable or successor form or forms. After the Company has qualified for the use of Form S-3, in addition to the rights contained in the foregoing provisions of this Section 1, any Holder or Holders will have the right to request registrations on Form S-3 (such requests will be in writing and will state the number of shares of Registrable Securities to be disposed of and the intended methods of disposition of such shares by such Holder or Holders); provided that the Company will not be obligated to effect any such registration (i) if such requesting Holders, together with the holders of any other securities of the Company entitled to inclusion in such registration, propose to sell Registrable Securities and such other securities (if any) on Form S-3 at an aggregate price to the public of less than $1,000,000, (ii) in the circumstances described in Section 1.2(b)(i) or Section 1.2(b)(iii), or (iii) if the Company will furnish the certification described in Section 1.2(b)(v) (but subject to the frequency limitation set forth in Section 1.2(b)(v)).

(b) Other Applicable Provisions. If a request complying with the requirements of Section 1.5(a) is delivered to the Company, then the provisions of Section 1.2(a)(i), Section 1.2(a)(ii), and Section 1.2(b)(v) will apply to such registration. If the registration is for an underwritten offering, then the provisions of Section 1.2(d) and Section 1.2(e) also will apply to such registration.

1.6 Registration Procedures. In the case of each registration made effective by the Company pursuant to Section 1, the Company will keep each Holder advised in writing as to the initiation of each registration and as to the completion of each registration. At the Company's expense, the Company will use the Company's commercially reasonable efforts to:

(a) keep such registration effective for a period of 90 days or until the Holder or Holders have completed the distribution described in the registration statement relating such registration, whichever occurs first;

(b) prepare and file with the Commission such amendments and supplements to such registration statement and the prospectus used in connection with such registration statement as may be necessary to comply with the provisions of the Securities Act with respect to the disposition of all securities covered by such registration statement;

(c) furnish such number of prospectuses and other documents incident to such prospectus, including any prospectus amendment or prospectus supplement, as a Holder from time to time may reasonably request;

(d) register and qualify the securities covered by such registration statement under such other securities or Blue Sky laws of such jurisdictions as will be reasonably requested by the Holders; provided that the Company will not be required, in connection with any such registration and qualification or as a condition to any such registration and qualification, to qualify to do business or to file a general consent to service of process in any such states or jurisdictions;

(e) notify each Holder of Registrable Securities covered by such registration statement at any time when a prospectus relating to such registration statement is required to be delivered under the Securities Act or the occurrence of any event as a result of which the prospectus included in such registration statement, as then in effect, includes an untrue statement of a material fact or omits to state a material fact required to be stated therein or necessary to make the statements therein not misleading in the light of the circumstances then existing;

(f) provide a transfer agent and registrar for all Registrable Securities registered pursuant to this Agreement and a CUSIP number for all such Registrable Securities, in each case not later than the effective date of such registration;

(g) cause all such Registrable Securities registered pursuant to this Agreement to be listed on each securities exchange on which similar securities issued by the Company are then listed; and

(h) in connection with any underwritten offering pursuant to a registration statement filed pursuant to Section 1.2, the Company will enter into an underwriting agreement in form reasonably necessary to effect the offer and sale of Common Stock; provided that such underwriting agreement contains reasonable and customary provisions; and provided further that each Holder participating in such underwriting will also enter into and perform such Holder's obligations under such an agreement.

1.7 Indemnification.

(a) Company Indemnification. The Company will indemnify and hold harmless each Holder, and each Holder's officers, directors, partners, legal counsel, and accountants, and each person controlling such Holder within the meaning of Section 15 of the Securities Act with respect to any registration, qualification, or compliance effected pursuant to this Section 1, and each underwriter, if any, and each person who controls, within the meaning of Section 15 of the Securities Act, any underwriter, against all expenses, claims, losses, damages, and liabilities (or actions, proceedings, or settlements in respect of such expenses, claims, losses, damages, and liabilities) arising out of or based on any untrue statement (or alleged untrue statement) of a material fact contained in any prospectus, offering circular, or other document (including any related registration statement, notification, or similar document) incident to any such registration, qualification, or compliance, or based on any omission (or alleged omission) to state in such document a material fact required to be stated in such document or necessary to make the statements in such document not misleading, or any violation by the Company of the Securities Act and any applicable state securities laws or any rule or regulation under the Securities Act or state securities laws applicable to the Company and relating to action or inaction required of the Company in connection with any such registration, qualification, or compliance, and will reimburse each such Holder, and each of such Holder's officers, directors, partners, legal counsel, and accountants, and each person controlling such Holder, and each such underwriter, and each person who controls any such underwriter, for any legal and any other expenses reasonably incurred in connection with investigating and defending or settling any such claim, loss, damage, liability, or action; provided that the Company will not be liable in any such case to the extent that any such claim, loss, damage, liability, or expense arises out of or is based on any untrue statement or omission based upon written information furnished to the Company by such Holder or underwriter and stated to be specifically for use in such document. The Parties expressly agree and acknowledge that the indemnity agreement contained in this Section 1.7(a) will not apply to amounts paid in settlement of any such loss, claim, damage, liability, or action if such settlement is effected without the Company's consent (which consent will not be unreasonably withheld).

(b) Holder Indemnification. Each Holder will, if Registrable Securities held by such Holder are included in the securities as to which such registration, qualification, or compliance is being effected, indemnify and hold harmless the Company, and each of the Company's directors, officers, legal counsel, and accountants, and each underwriter, if any, of the Company's securities covered by such a registration statement, and each person who controls the Company or such underwriter within the meaning of Section 15 of the Securities Act, and each other such Holder, and each of their respective officers, directors, and partners, and each person controlling such Holder or other Company stockholder, against all claims, losses, damages, and liabilities (or actions in respect thereof) arising out of or based on any untrue statement (or alleged untrue statement) of a material fact contained in any such registration statement, prospectus,

offering circular, or other document, or any omission (or alleged omission) to state in such document a material fact required to be stated in such document or necessary to make the statements in such document not misleading, and will reimburse the Company, and such Holders, and directors, officers, legal counsel, and accountants, and underwriters, and control persons for any legal or any other expenses reasonably incurred in connection with investigating or defending any such claim, loss, damage, liability, or action, in each case to the extent, but only to the extent, that such untrue statement (or alleged untrue statement) or omission (or alleged omission) is made in such registration statement, prospectus, offering circular, or other document in reliance upon and in conformity with written information furnished to the Company by such Holder and stated to be specifically for use in such document; provided that such Holder's obligations under this Section 1.7(b) will not apply to amounts paid in settlement of any such claims, losses, damages, or liabilities (or actions in respect of such claims, losses, damages, or liabilities) if such settlement is effected without such Holder's consent (which consent will not be unreasonably withheld); and provided further that in no event will any indemnity under this Section 1.7(b) exceed the Net Proceeds. For purposes of this Section 1.7(b) and Section 1.7(d), the term "**Net Proceeds**," with respect to any particular Holder, means the proceeds from the offering received by such Holder after deducting underwriters' commissions, discounts, and expenses attributable to the securities sold by such Holder.

(c) Indemnification Procedures. Each Party entitled to indemnification under this Section 1.7 (the "**Indemnified Party**") will give notice to the Party required to provide indemnification (the "**Indemnifying Party**") promptly after such Indemnified Party has actual knowledge of any claim as to which indemnity may be sought, and will permit the Indemnifying Party to assume the defense of such claim or any litigation resulting from such claim, provided that counsel for the Indemnifying Party, who will conduct the defense of such claim or any litigation resulting from such claim, will be approved by the Indemnified Party (whose approval will not be unreasonably withheld), and the Indemnified Party may participate in such defense at such Indemnified Party's expense. Notwithstanding the foregoing, any Indemnified Party's failure to give notice as provided in this Section 1.7(c) will not relieve the Indemnifying Party of the Indemnifying Party's obligations under this Section 1.7 to the extent such failure is not prejudicial. No Indemnifying Party, in the defense of any such claim or litigation, will, except with the consent of each Indemnified Party, consent to entry of any judgment or enter into any settlement that does not include as an unconditional term of such judgment or such settlement the claimant's or plaintiff's release of such Indemnified Party from all liability in respect to such claim or litigation. Each Indemnified Party will furnish such information regarding such Indemnified Party or the claim in question as an Indemnifying Party may reasonably request in writing and as will be reasonably required in connection with defense of such claim and litigation resulting from such claim.

(d) Indemnification Unavailability. If the indemnification provided for in this Section 1.7 is held by a court of competent jurisdiction to be unavailable to an Indemnified Party with respect to any loss, liability, claim, damage, or expense referred to in this Section 1.7, then the Indemnifying Party, instead of indemnifying such Indemnified Party under Section 1.7(a) or Section 1.7(b), will contribute to the amount paid or payable by such Indemnified Party as a result of such loss, liability, claim, damage, or expense in such proportion as is appropriate to reflect the relative fault of the Indemnifying Party, on the one hand, and of the Indemnified Party, on the other hand, in connection with the statements or omissions that resulted in such loss,

liability, claim, damage, or expense as well as any other relevant equitable considerations; provided, however, that in no event will any contribution by a Holder under this Section 1.7(d) exceed the Net Proceeds (as defined in Section 1.7(b)). The relative fault of the Indemnifying Party and of the Indemnified Party will be determined by reference to, among other things, whether the untrue or alleged untrue statement of a material fact or the omission to state a material fact relates to information supplied by the Indemnifying Party or by the Indemnified Party and the Parties' relative intent, knowledge, access to information, and opportunity to correct or prevent such statement or omission.

(e) Underwriting Agreement Conflict. Notwithstanding the foregoing provisions of this Section 1.7, to the extent that the provisions on indemnification and contribution contained in the underwriting agreement entered into in connection with the underwritten public offering are in conflict with the foregoing provisions of this Section 1.7, the provisions in the underwriting agreement will control.

1.8 Information by Holder. Each Holder will furnish to the Company such information regarding such Holder and the distribution proposed by such Holder as the Company may reasonably request in writing and as will be reasonably required in connection with any registration, qualification, or compliance referred to in this Section 1.

1.9 Subsequent Registration Rights Limitation. Except for rights granted by the Company's Board of Directors to banks or similar financial institutions in connection with lending arrangements (which rights shall not be senior to, nor more favorable than, the rights of Holders hereunder), from and after the Effective Date, the Company will not, without the prior written consent of at least two-thirds of the Registrable Securities of the Holders, enter into any agreement with any holder or prospective holder of any Company securities that gives such holder or prospective holder any registration rights with terms that are more favorable than, or equivalent to, the registration rights granted to the Holders under this Agreement.

1.10 Rule 144 Reporting. With a view to making available to the Holders the benefits of Rule 144 promulgated under the Securities Act and any other rule or regulation of the Commission that may at any time permit a Holder to sell securities of the Company to the public without registration or pursuant to a registration on Form S-3, the Company agrees to use its best efforts to:

(a) make and keep public information available, as those terms are understood and defined in Rule 144, at all times after 90 days after the effective date of the first registration statement filed by the Company for the offering of its securities to the general public so long as the Company remains subject to the periodic reporting requirements under Section 13 or 15(d) of the Exchange Act;

(b) take such action, including the voluntary registration of its Common Stock under Section 12 of the Exchange Act, as is necessary to enable the Holders to utilize Form S-3 for the sale of their Registrable Securities, such action to be taken as soon as practicable after the end of the fiscal year in which the first registration statement filed by the Company for the offering of its securities to the general public is declared effective;

(c) file with the Commission in a timely manner all reports and other documents required of the Company under the Securities Act and the Exchange Act; and

(d) furnish to any Holder, so long as the Holder owns any Registrable Securities, forthwith upon request (i) a written statement by the Company that it has complied with the reporting requirements of Rule 144 (at any time after 90 days after the effective date of the first registration statement filed by the Company), the Securities Act and the Exchange Act (at any time after it has become subject to such reporting requirements), or that it qualifies as a registrant whose securities may be resold pursuant to Form S-3 (at any time after it so qualifies), (ii) a copy of the most recent annual or quarterly report of the Company and such other reports and documents so filed by the Company, and (iii) such other information as may be reasonably requested in availing any Holder of any rule or regulation of the Commission which permits the selling of any such securities without registration or pursuant to Form S-3.

1.11 Registration Rights Transfers and Assignments. The Holder's rights to cause the Company to register securities under this Section 1 may be transferred or assigned only by a Holder (a) that is a partnership if such transfer is made to such Holder's partners or retired partners in accordance with partnership interests, (b) that is a corporation if such transfer is made to such corporation's stockholders in accordance with such stockholders' interest in such corporation, (c) that is a limited liability company if such transfer is made to such limited liability company's members or former members in accordance with such members' interest in the limited liability company, (d) if such transfer is made to such Holder's family member or trust for the benefit of an individual Holder, (e) if such transfer is made to an affiliate of the Holder (including, in the case of a venture capital fund, other venture capital funds affiliated with such fund), and (f) to any transferee who validly acquires at least 250,000 shares of Registrable Securities; provided that, in each case, the Company is given written notice at the time of or within a reasonable time after such transfer or assignment, stating the name and address of the transferee or assignee and identifying the securities with respect to which such registration rights are being transferred or assigned; and provided further that the transferee or assignee of such rights assumes in writing such Holder's obligations under this Section 1.

1.12 Lock-Up Agreement. Each Investor agrees to not sell or otherwise transfer or dispose of any Company Common Stock (or any other Company securities) held by such Investor (other than those included in the registration) during the 180-day period after the effective date of a Company registration statement, subject to extension in connection with FINRA and NYSE rules, filed under the Securities Act representing the Company's initial public offering, provided that: (a) such agreement will only apply to the first such Company registration statement, including securities to be sold on the Company's behalf to the public in an underwritten offering; and (b) all Company officers and directors and all holders of at least 3% of the Company's voting securities are bound by and have entered into similar agreements. The obligations described in this Section 1.12 will not apply to a registration relating solely to employee benefit plans on Form S-1 or Form S-8 or similar forms that may be promulgated in the future, or a registration relating solely to a transaction on Form S-4 or similar forms that may be promulgated in the future. The Company may impose stop-transfer instructions with respect to the shares of Company Common Stock (or any other Company securities) subject to the foregoing restriction until the end of such 180-day period, subject to extension in connection with FINRA and NYSE rules. Each Investor agrees to execute a lock-up agreement with such underwriters in customary Form consistent with

the provisions of this Section 1.12. If any stockholder subject to any such lock-up agreements is released from his restrictions prior to the end of the market-standoff period to permit the sale of Company securities, then each Holder shall likewise be so released from its restrictions pro rata based on the number of shares subject to such agreements.

1.13 Registration Delay. No Holder will have any right to take any action to restrain, enjoin, or otherwise delay any registration as the result of any controversy that might arise with respect to the interpretation or implementation of this Section 1.

1.14 Registration Rights Termination. Any Holder's right to request registration or inclusion in any registration pursuant to Section 1.2, Section 1.3, or Section 1.5 will terminate on the fifth anniversary of the effective date of a registration statement resulting in an underwritten registered public offering with an aggregate offering price to the public of at least $40,000,000 (after deduction of underwriting discounts, expenses, and commissions, if any) and a per share price to the public of at least $3.8703 (a "**Qualified Public Offering**").

Section 2

Company Covenants.

The Company covenants and agrees, as follows:

2.1 Basic Financial Information and Inspection Rights.

(a) Basic Financial Information. The Company will furnish the following reports to each Major Holder:

(i) within 120 days after the end of each Company fiscal year (unless a majority of the Board of Directors selects a later date), audited financial reports, including a consolidated balance sheet of the Company and its subsidiaries, if any, as at the end of such Company fiscal year, and consolidated statements of income and cash flows of the Company and its subsidiaries, if any, for such Company fiscal year·, prepared in accordance with generally accepted accounting principles consistently applied, certified by independent public accountants of recognized national standing selected by the Company and acceptable to the Major Holders;

(ii) within 45 days after the end of each fiscal calendar quarter, a consolidated balance sheet of the Company and its subsidiaries, if any, as of the end of each such quarter and as of the year-to-date ending with such quarter, and consolidated statements of income and cash flows of the Company and its subsidiaries, if any, for such period, in each case compared against the Company's then effective operating plan;

(iii) within 45 days after the end of each fiscal quarter, an updated Company capitalization table listing all stockholders, option holders, warrant holders, and debt holders as of each such quarter end;

(iv) within 30 days after the end of each fiscal calendar month, a consolidated balance sheet of the Company and its subsidiaries, if any, as of the end of each such month and as of the year-to-date ending with such month, and a consolidated statement of income of the Company and its subsidiaries, if any, for such period, in each case compared against the Company's then effective operating plan; and

(v) at least 30 days before the beginning of each Company fiscal year, a copy of the Company's comprehensive annual budget and operating plan for the upcoming Company fiscal year, approved by the Board of Directors and prepared on a monthly basis, including balance sheets, income statements, and statements of cash flow for such months and, promptly after prepared, any other budgets or revised budgets prepared by the Company.

(vi) Notwithstanding anything to the contrary in this Section 2.1(a), each Holder (in addition to each Major Holder) will receive the reports specified in Section 2.1(a)(i).

(b) Inspection Rights. The Company will afford to each Major Holder, and to such Major Holder's accountants and counsel, reasonable access during normal business hours to all of the Company's respective properties, books, and records. Each Major Holder will have such other access to management and information as is necessary for such Major Holder to comply with applicable laws and regulations and reporting obligations. Notwithstanding anything to the contrary in this Agreement, the Company will not be required to disclose details of contracts with or work performed for specific customers and other business partners where to do so would violate confidentiality obligations to those parties. Major Holders may exercise their rights under this Section 2.1(b) only for purposes reasonably related to their interests under this Agreement and related agreements or to their interests as stockholders of the Company generally. The rights granted pursuant to this Section 2.1(b) may not be assigned or otherwise conveyed by any Major Holder or by any subsequent transferee of any such rights without the Company's prior written consent, except that such rights may be transferred or assigned by a Major Holder (i) that is a partnership if such transfer is made to such Major Holder's partners or retired partners in accordance with partnership interests, (ii) that is a corporation if such transfer is made to such corporation's stockholders in accordance with such stockholders' interest in such corporation, (iii) that is a limited liability company if such transfer is made to such limited liability company's members or former members in accordance with such members' interest in the limited liability company, (iv) if such transfer is made to such Major Holder's family member or trust for the benefit of an individual Major Holder, or (v) if such transfer is made to an affiliate of the Major Holder (including, in the case of a venture capital fund, other venture capital funds affiliated with such fund); provided that, in each case, the Company is given written notice at the time of or within a reasonable time after such transfer or assignment, stating the name and address of the transferee or assignee and identifying the securities with respect to which such rights are being transferred or assigned; and provided further that the transferee or assignee of such rights assumes in writing such Holder's obligations under Section 2.2.

2.2 Confidentiality/Other Activities

(a) Confidentiality. Notwithstanding anything to the contrary in this Agreement, (a) the Company will not be required to comply with Section 2.1 in respect of any Major Holder that the Company reasonably determines to be a competitor and (b) unless prohibited by law, each Major Holder agrees to hold in strict confidence and trust and not to misuse or disclose any trade secrets or confidential information that are provided by the Company to such Holder

pursuant to Section 2.1 or otherwise, except such information that (i) was in the public domain prior to the time it was furnished to such Holder, (ii) is or becomes (through no willful improper action or inaction by such Holder) generally available to the public, (iii) was in its possession or known by such Holder without restriction prior to receipt from the Company, (iv) was rightfully disclosed to such Holder by a third party without restriction or (v) was independently developed without any use of the Company's confidential information. Notwithstanding the foregoing, each Holder that is a limited partnership or limited liability company may disclose such proprietary or confidential information (provided, however, that intellectual property and trade secret information will only be disclosed as reasonably necessary to facilitate such communications) to any former partners or members who retained an economic interest in such Holder, current partner of the partnership or any subsequent partnership under common investment management, limited partner, general partner, member or management company of such Holder (or any employee or representative of any of the foregoing) or legal counsel, accountants or representatives for such Holder.

(b) Right to Conduct Activities. The Company hereby acknowledges that each of Coöperatieve Gilde Healthcare IV U.A., Versant Venture Capital IV, L.P., Versant Side Fund IV, L.P., U.S. Venture Partners X, L.P., USVP X Affiliates, L.P. and CVF, LLC (each a "**Fund**") is an investment fund, and as such invests in numerous portfolio companies, some of which may be deemed competitive with the Company's business. Neither any Fund nor its partners, affiliates, advisors or affiliated investment funds shall be liable to the Company for any claim arising out of, or based upon, (i) the investment by such Fund or any affiliated investment fund in any entity competitive to the Company, or (ii) actions taken by any partner, officer, advisor or other representative of such Fund or any of its affiliates to assist any such competitive company, whether or not such action was taken as a board member of such competitive company, or otherwise; provided, however, that nothing herein shall relieve any Fund or any other party from liability associated with misuse of the Company's confidential information as set forth in Section 2.2(a) above.

2.3 Board Matters. Unless otherwise determined by the vote of a majority of the directors then in office, the Board of Directors shall meet at least quarterly in accordance with an agreed-upon schedule. The Company will reimburse outside directors for all out-of-pocket expenses incurred in their services as a Company director; provided that such directors submit satisfactory evidence of such expenses to the Company.

2.4 Employee Common Stock Vesting. Except as otherwise approved by at least 75% of the Company directors then in office, all stock options granted to each existing Company employee after the Effective Date will be subject to vesting at a rate no greater than the rate specified in the following vesting schedule: 25% of the shares subject to such stock option will vest on the first anniversary date of the date that such employee began providing services to the Company (such anniversary date, the "**Anniversary Date**") and 1/36 of the remainder of the shares subject to such stock option will vest monthly thereafter. With respect to any shares of such equity securities actually purchased by any such person, the Company's repurchase option, unless otherwise approved by at least 75% of the members of the Company's Board of Directors then in office, will provide that, upon such person's termination of employment or service with the Company, with or without cause, the Company or its assignee (to the extent permissible under applicable securities laws and other laws) will have the option to purchase at cost any unvested shares of such equity securities held by such person.

2.5 Common Stock Restrictions. All Company Common Stock issued to Company employees or consultants will (a) be nontransferable before vesting, except for certain estate planning transfers, (b) be subject to a first refusal right in the Company's favor until the closing of an initial public offering, and (c) be subject to a market stand-off provision such that no transfers or sales are permitted during a lock-up period of 180 days, subject to extension in connection with FINRA and NYSE rules, as required by underwriters in connection with an initial public offering.

2.6 Director and Officer Insurance. The Company will obtain and maintain in full force and effect director and officer liability insurance in an amount consistent with companies that are similarly situated, unless otherwise approved by a majority of the Board of Directors.

2.7 Confidential Information and Inventions Agreement. The Company shall require all of its employees and consultants to execute a Confidential Information and Inventions Agreement substantially in the form previously provided to the Investors.

2.8 Successor Indemnification. If the Company or any of its successors or assignees consolidates with or merges into any other Person and is not the continuing or surviving corporation or entity of such consolidation or merger, then to the extent necessary, proper provision shall be made so that the successors and assignees of the Company assume the obligations of the Company with respect to indemnification of members of the Board of Directors as in effect immediately before such transaction, whether such obligations are contained in the Company's Bylaws, its Certificate of Incorporation, or elsewhere, as the case may be.

2.9 Qualified Small Business Stock. The Company shall use commercially reasonable efforts to cause the shares of Preferred Stock, as well as any shares into which such shares are converted, within the meaning of Section 1202(f) of the Internal Revenue Code (the "**Code**"), to constitute "qualified small business stock" as defined in Section 1202(c) of the Code; provided, however, that such requirement shall not be applicable if the Board of Directors of the Company (including at least two (2) of the Preferred Directors) determines, in its good-faith business judgment, that such qualification is inconsistent with the best interests of the Company. The Company shall submit to its stockholders (including the Investors) and to the Internal Revenue Service any reports that may be required under Section 1202(d)(1)(C) of the Code and the regulations promulgated thereunder. In addition, within twenty (20) business days after any Investor's written request therefor, the Company shall, at its option, either (i) deliver to such Investor a written statement indicating whether (and what portion of) such Investor's interest in the Company constitutes "qualified small business stock" as defined in Section 1202(c) of the Code or (ii) deliver to such Investor such factual information in the Company's possession as is reasonably necessary to enable such Investor to determine whether (and what portion of) such Investor's interest in the Company constitutes "qualified small business stock" as defined in Section 1202(c) of the Code.

2.10 FCPA. The Company represents that it shall not (and shall not permit any of its subsidiaries or affiliates or any of its or their respective directors, officers, managers, employees, independent contractors, representatives or agents to) promise, authorize or make any payment to, or otherwise contribute any item of value to, directly or indirectly, to any third party, including any Non-U.S. Official (as (as such term is defined in the U.S. Foreign Corrupt Practices Act of 1977, as amended (the "**FCPA**")), in each case, in violation of the FCPA, the U.K. Bribery Act, or any other applicable anti-bribery or anti-corruption law. The Company further represents that it shall (and shall cause each of its subsidiaries and affiliates to) cease all of its or their respective activities, as well as remediate any actions taken by the Company, its subsidiaries or affiliates, or any of their respective directors, officers, managers, employees, independent contractors, representatives or agents in violation of the FCPA, the U.K. Bribery Act, or any other applicable anti-bribery or anti-corruption law. The Company further represents that it shall (and shall cause each of its subsidiaries and affiliates to) maintain systems of internal controls (including, but not limited to, accounting systems, purchasing systems and billing systems) to ensure compliance with the FCPA, the U.K. Bribery Act, or any other applicable anti-bribery or anti-corruption law. Upon request, the Company agrees to provide responsive information and/or certifications concerning its compliance with applicable anti-corruption laws. The Company shall, and shall cause any direct or indirect subsidiary or entity controlled by it, whether now in existence or formed in the future, to comply with the FCPA. The Company shall use its commercially reasonable efforts to cause any direct or indirect subsidiary, whether now in existence or formed in the future, to comply in all material respects with all applicable laws.

2.11 EIF Audit Rights. A portion of the investment made by Coöperatieve Gilde Healthcare IV U.A. ("**Gilde**") originated from the European Recovery Program—European Investment Fund ("**EIF**") Facility. EIF and its co-investors will have the right, subject to execution of customary confidentiality agreements, to audit the use by Gilde of the contributions to Gilde by examining the Company's relevant books and documents at reasonable times upon reasonable notice. The audit may be conducted either in person by EIF or by a duly authorized third party. Additionally, subject to Section 2.2(a), the Company shall provide Gilde specific information (e.g. headcount information) required by EIF upon request.

2.12 Termination of Covenants. The covenants set forth in this Section 2, except for Sections 2.8 and 2.9, will terminate and will be of no further force and effect immediately and automatically upon the earlier of (a) a Qualified Public Offering and (b) a Change of Control in which the Company's stockholders receive consideration in the form of cash and/or unrestricted securities that are actively traded on a national securities exchange.

Section 3

Preemptive Rights.

3.1 Preemptive Rights. The Company grants to each Major Holder a preemptive right to purchase such Major Holder's pro rata share of New Securities (as defined in this Section 3.1) that the Company may, from time to time, propose to sell and issue. For purposes of this preemptive right, a Major Holder's pro rata share is the ratio of the number of shares of Common Stock owned by such Major Holder immediately before the issuance of New Securities, assuming full conversion of the Shares and exercise of any option or warrant held by such Major Holder, to the total number of shares of Common Stock outstanding immediately before the issuance of New Securities, assuming full conversion of the Shares and exercise of all outstanding

convertible securities, rights, options, and warrants to acquire Company Common Stock or securities convertible into Company Common Stock. Each Major Holder will also have an over-allotment right such that, if any other Major Holder fails to exercise such Major Holder's preemptive right under this Section 3.1 to purchase such Major Holder's pro rata share of New Securities, then the other Major Holders may purchase the non-purchasing Major Holder's portion on a pro rata basis within 10 days after the date that such non-purchasing Major Holder fails to exercise such Major Holder's preemptive right under this Section 3.1 to purchase such Major Holder's pro rata share of New Securities. This preemptive right will be subject to the following provisions:

(a) New Securities. The term "**New Securities**" means any Company capital stock (including Common Stock and/or Preferred Stock and/or other equity securities), whether or not now authorized, and rights, options, or warrants to purchase such Company capital stock, and securities of any type whatsoever that are, or that may become, convertible into Company capital stock; provided that the term "**New Securities**" does not include:

(i) securities purchased pursuant to the Purchase Agreement;

(ii) shares of Common Stock issuable or issued upon conversion of shares of any series of Company Preferred Stock;

(iii) up to 5,794,108 shares (or such higher amount as is approved unanimously by the Company's Board of Directors) of Common Stock issuable or issued to officers, directors, and employees of, or consultants to, the Company pursuant to stock grants, option plans, purchase plans, or other employee stock incentive programs or other arrangements approved by the Company's Board of Directors, or upon exercise of options or warrants granted to such parties pursuant to any such plan or arrangement;

(iv) shares of Common Stock issuable or issued upon the exercise or conversion of options, warrants, or convertible securities issued by the Company that are outstanding as of the Effective Date;

(v) securities issuable or issued as a dividend or distribution on Preferred Stock or pursuant to any event for which adjustment is made pursuant to a stock split, stock dividend, reverse stock split, stock combination, recapitalization, or other reclassification affecting the Company's securities;

(vi) shares of Common Stock issued in a registered public offering under the Securities Act;

(vii) securities issuable or issued pursuant to the acquisition of another corporation by the Company by merger, by purchase of substantially all of the assets, or by other reorganization or pursuant to a joint venture agreement; provided, in each such case, that such issuances are approved by the Company's Board of Directors (including all of the Preferred Directors);

(viii) securities issuable or issued to banks, equipment lessors, or other financial institutions pursuant to a commercial leasing or debt financing transaction entered into for primarily non-equity financing purposes and in an amount not to exceed $5,000,000 and approved by the Company's Board of Directors(including at least three (3) of the Preferred Directors (as defined in the Company's Third Amended and Restated Certificate of Incorporation));

(ix) securities issued or issuable in connection with sponsored research, collaboration, technology license, development, OEM, marketing, or other similar agreements or strategic partnerships; provided, in each such case, that the issuances are approved by the Company's Board of Directors (including at least three (3) of the Preferred Directors) and that the number of shares so issued in any 12-month period do not exceed 20% of the outstanding shares of Common Stock of the Company (on a fully diluted as converted basis);

(x) securities issued to suppliers of goods or third-Party service providers in connection with the provision of goods or services pursuant to transactions approved by the Company's Board of Directors (including at least three (3) of the Preferred Directors); provided that the number of shares so issued in any 12-month period do not exceed 5% of the outstanding shares of Common Stock of the Company (on a fully diluted as converted basis);

(xi) any right, option, or warrant to acquire any security convertible into the securities excluded from the definition of New Securities pursuant to Section 3.1(a)(i) through Section 3.1(a)(x); and

(xii) any other securities that are excluded from the definition of New Securities by the affirmative written consent of holders of at least two-thirds of the Preferred Stock, voting as a single class on an as-converted to Common Stock basis.

(b) Preemptive Rights Procedure.

(i) If the Company proposes to undertake an issuance of New Securities, then the Company will give each Major Holder written notice of the Company's intention, describing the type of New Securities, the price for the New Securities, and the general terms upon which the Company proposes to issue the New Securities. Each Major Holder will have 20 calendar days after any such notice is mailed or delivered to agree to purchase such Major Holder's pro rata share of such New Securities for the price and upon the terms specified in the notice by giving written notice to the Company and stating in such written notice the quantity of New Securities to be purchased.

(ii) To the extent the Major Holders do not fully exercise the preemptive right within such 20-day period and the over-allotment right as set forth above, the Company will have 90 days thereafter to sell or enter into an agreement (pursuant to which the sale of New Securities covered by such agreement will be closed, if at all, within 90 days from the date of such agreement) to sell the New Securities to which the Major Holders' preemptive right option set forth in this Section 3.1 was not exercised, at a price and upon terms no more favorable to the purchasers of such New Securities than specified in the Company's notice to Major Holders pursuant to Section 3.1 (b)(i). If , within such 90-day period, the Company has not sold the New Securities or entered into an agreement to sell the New Securities in accordance with the foregoing provisions within 90 days from the date of such agreement, then the Company will not subsequently issue or sell any New Securities without first again offering such securities to the Major Holders in the manner provided in this Section 3.1(b).

(c) Preemptive Rights Expiration. The preemptive right granted under this Agreement will expire immediately before, and will not be applicable to, a Qualified Public Offering.

(d) Preemptive Right Transfers and Assignments. The preemptive right set forth in this Section 3.1 may not be assigned or transferred, except by a Holder (i) that is a partnership if such assignment or transfer is made to such Holder's partners or retired partners in accordance with partnership interests, (ii) that is a corporation if such assignment or transfer is made to such corporation's stockholders in accordance with such stockholders' interest in such corporation, (iii) that is a limited liability company if such assignment or transfer is made to such limited liability company's members or former members in accordance with such members' interest in the limited liability company, (iv) if such assignment or transfer is made to such Holder's family member or trust for the benefit of an individual Holder, or (v) if such assignment or transfer is made to an affiliate of the Holder (including, in the case of a venture capital fund, other venture capital funds affiliated with such fund).

Section 4

Miscellaneous.

4.1 Certain Definitions. As used in this Agreement, the following terms have the meanings specified below:

(a) "**Agreement**" is defined in the first paragraph of this Agreement.

(b) "**Change of Control**" means either (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 such transaction if the primary purpose of such transaction is to change the Company's domicile, and excluding any equity financing the primary purpose of which is to raise operating capital for the Company) that results in a transfer of at least a majority of the total voting power represented by the Company's voting securities before such acquisition; or (ii) a sale, lease, or other conveyance of all or substantially all of the Company's assets.

(c) "**Commission**" means the Securities and Exchange Commission or any other federal agency at the time administering the Securities Act.

(d) "**Company Notice**" is defined in Section 1.3(a)(i).

(e) "**Effective Date**" is defined in the first paragraph of this Agreement.

(f) "**Exchange Act**" means the Securities Exchange Act of 1934, as amended, or any similar successor federal statute and the rules and regulations thereunder, all as in effect from time to time.

(g) "**Holder**" means any Investor, together with such Investor's affiliates, who holds Registrable Securities and any holder of Registrable Securities to whom the registration rights conferred by this Agreement have been transferred in compliance with Section 1.1 and Section 1.11.

(h) "**Indemnified Party**" is defined in Section 1.7(c).

(i) "**Indemnifying Party**" is defined in Section 1.7(c).

(j) "**Initial Request**" is defined in Section 1.2(a).

(k) "**Initiating Holders**" means, as of any particular time, any Holder or Holders who, in the aggregate and at such time, hold at least two-thirds of the outstanding Registrable Securities.

(l) "**Investor**" is defined in the first paragraph of this Agreement.

(m) "**Investors**" is defined in the first paragraph of this Agreement.

(n) "**Major Holder**" means any Holder of at least 2,000,000 shares of Registrable Securities in the aggregate (as adjusted for any stock split, stock dividend, reverse stock split, stock combination, recapitalization, or other reclassification affecting the Company's securities).

(o) "**New Securities**" is defined in Section 3.1(a).

(p) "**Parties**" and "**Party**" are defined in the first paragraph of this Agreement.

(q) "**Person**" means an individual, a corporation, a partnership, a trust or unincorporated organization or any other entity or organization.

(r) "**Purchase Agreement**" is defined in the Recitals to this Agreement.

(s) "**Register**," "**registered**," "**registration**," and derivatives of such terms refer to a registration effected by preparing and filing a registration statement in compliance with the Securities Act and applicable rules and regulations thereunder, and the declaration or order that such registration statement is effective.

(t) "**Registrable Securities**" means (i) shares of Common Stock issuable or issued pursuant to the conversion of the Shares and (ii) any Common Stock issued as a dividend or other distribution with respect to or in exchange for or in replacement of the shares referenced in clause (i) immediately above. Notwithstanding the foregoing, Registrable Securities shall not include any securities (i) sold by a person to the public either pursuant to a registration statement or Rule 144, (ii) sold in a private transaction in which the transferor's rights under Section 1 of this Agreement are not assigned or (iii) held by a Holder (together with its affiliates) if such Holder (together with its affiliates) holds less than 1% of the Company's outstanding

Common Stock (treating all shares of Preferred Stock on an as converted basis), the Company has completed an initial public offering of its Common Stock, and all shares of Common Stock of the Company issuable or issued upon conversion of the Shares held by and issuable to such Holder (and its affiliates) may then be sold pursuant to Rule 144 during the immediately subsequent ninety- (90-) day period.

(u) "**Registration Expenses**" means all expenses incurred in effecting any registration pursuant to this Agreement, including all registration, qualification, and filing fees, printing expenses, escrow fees, fees and disbursements of counsel for the Company, blue sky fees and expenses, and expenses of any regular or special audits incident to or required by any such registration, but will not include Selling Expenses, fees and disbursements of counsel for the Holders, and the compensation of regular Company employees, which will be paid in any event by the Company.

(v) "**Registration Notice**" is defined in Section 1.2(a)(i).

(w) "**Restricted Securities**" means any Registrable Securities required to bear the first legend set forth in Section 1.1(b).

(x) "**Rule 144**" means Rule 144 as promulgated by the Commission under the Securities Act, as Rule 144 may be amended from time to time, or any similar successor rule that may be promulgated by the Commission.

(y) "**Securities Act**" means the Securities Act of 1933, as amended, or any similar successor federal statute and the rules and regulations thereunder, all as in effect from time to time.

(z) "**Selling Expenses**" means all underwriting discounts, selling commissions, and stock transfer taxes applicable to the sale of Registrable Securities and fees and disbursements of counsel for any Holder (other than the fees and disbursements of counsel included in Registration Expenses).

(aa) "**Shares**" means shares of the Company's Series A Preferred Stock, Series B Preferred Stock and Series C Preferred Stock.

4.2 Amendment. Except as otherwise expressly provided in this Agreement, neither this Agreement nor any term of this Agreement may be amended, waived, discharged, or terminated other than by a written instrument referencing this Agreement and signed by the Company and the Holders holding at least two-thirds of the Registrable Securities (excluding any of such shares that have been sold to the public or pursuant to Rule 144), provided that any amendment to Sections 2.9, 2.10 and 2.11 shall also require the consent of Gilde. Any such amendment, waiver, discharge, or termination effected in accordance with this Section 4.2 will be binding upon each Holder and each future holder of all such Holder's securities. Each Investor acknowledges that, by the operation of this Section 4.2, Holders holding at least two-thirds of the Registrable Securities (excluding any of such shares that have been sold to the public or pursuant to Rule 144) will have the right and power to diminish or eliminate all rights of such Investor under this Agreement. In addition, the Company may waive performance of any obligation owing to the Company as to some or all of the Holders, or agree to accept alternatives to such performance, without receiving the consent of any Holder. If an underwriting agreement contains terms differing from this Agreement, then, as to each Holder, the terms of such underwriting agreement will govern.

4.3 Notices. All notices and other communications required or permitted under this Agreement will be in writing and will be mailed by registered or certified mail, postage prepaid, sent by facsimile, sent by electronic mail, or otherwise delivered by hand or by messenger addressed;

(a) if to an Investor, at the Investor's address, facsimile number, or electronic mail address as set forth on Exhibit A, as may be updated in accordance with the provisions of this Agreement;

(b) if to any other holder of any Company securities, at such address, facsimile number, or electronic mail address as shown in the Company's records, or, until any such holder so furnishes an address, facsimile number, or electronic mail address to the Company, then to and at the address of the last holder of such Company securities for which the Company has contact information in the Company's records; or

(c) if to the Company, one copy to the address or facsimile number set forth on the cover page of this Agreement and addressed to the attention of the President, or at such other address or facsimile number as the Company will have furnished to the Investors.

(d) Facsimile and Electronic Mail Notice. With respect to any notice given by the Company under any provision of the Delaware General Corporation Law or the Company's Certificate of Incorporation or the Company's Bylaws, each Investor agrees that such notice may given by facsimile or by electronic mail; provided, however, that all such notices by any Party will be made in compliance with the applicable Delaware General Corporation Law requirements and that any such notice may be subsequently withdrawn by any Party in a manner consistent with Delaware General Corporation Law.

(e) Notice Effectiveness. Each such notice or other communication will, for all purposes of this Agreement be treated as effective or having been given when delivered if delivered personally, or, if sent by mail, at the earlier of its receipt or 72 hours after such communication has been deposited in a regularly maintained receptacle for the deposit of the United States mail, addressed and mailed as specified above or, if sent by facsimile, upon confirmation of facsimile transfer or, if sent by electronic mail, when directed to the electronic mail address set forth on Exhibit A.

4.4 Governing Law. This Agreement and any controversy arising out of or relating to this Agreement shall be governed by and construed in accordance with the internal laws of the State of Delaware, without regard to Delaware's conflicts of law principles.

4.5 Successors and Assigns. This Agreement, and any and all rights, duties, and obligations under this Agreement, will not be assigned, transferred, delegated, or sublicensed by any Investor without the Company's prior written consent, except by an Investor (i) that is a partnership if such assignment or transfer is made to such Investor's partners or retired partners in accordance with partnership interests, (ii) that is a corporation if such assignment or transfer is

made to such corporation's stockholders in accordance with such stockholders' interest in such corporation, (iii) that is a limited liability company if such assignment or transfer is made to such limited liability company's members or former members in accordance with such members' interest in the limited liability company, or (v) if such assignment or transfer is made to an affiliate of the Investor (including, in the case of a venture capital fund, other venture capital funds affiliated with such fund). Any attempt by an Investor without such prior written consent to assign, transfer, delegate, or sublicense any rights, duties, or obligations that arise under this Agreement will be void. Subject to the foregoing and except as otherwise provided in this Agreement, the provisions of this Agreement will inure to the benefit of, and be binding upon, the Parties' successors, assigns, heirs, executors, and administrators.

4.6 Entire Agreement. This Agreement and the exhibit to this Agreement constitute the full and entire understanding and agreement between the Parties with regard to the subjects of this Agreement. No Party will be liable or bound to any other Party in any manner with regard to the subjects hereof or thereof by any warranties, representations, or covenants except as specifically set forth in this Agreement. Upon the effectiveness of this Agreement, the Prior Agreement shall be deemed amended and restated and superseded and replaced in its entirety by this Agreement, and shall be of no further force or effect.

4.7 Delays or Omissions. Except as expressly provided in this Agreement, no delay or omission to exercise any right, power, or remedy accruing to any Party to this Agreement upon any breach or default of any other Party under this Agreement will impair any such right, power, or remedy of such non-defaulting Party, nor will such delay or omission be construed to be a waiver of any such breach or default, or an acquiescence in any such breach or default, or of or in any similar subsequent breach or default, nor will any waiver of any single breach or default be deemed a waiver of any other previous or subsequent breach or default. Any waiver, permit, consent, or approval of any kind or character by any Party with respect to any breach or default under this Agreement, or any waiver by any Party of any provisions or conditions of this Agreement must be in writing and will be effective only to the extent specifically set forth in such writing. All remedies, either under this Agreement or by law or otherwise afforded to any Party to this Agreement, will be cumulative and not alternative.

4.8 Severability. Unless otherwise expressly provided in this Agreement, the Investors' rights under this Agreement are several rights, and not rights jointly held with any of the other Investors. If any provision of this Agreement becomes or is declared by a court of competent jurisdiction to be illegal, unenforceable, or void, then this Agreement will continue in full force and effect without such illegal, unenforceable, or void provision, and the Parties agree to negotiate, in good faith, a legal and enforceable substitute provision which most nearly effects the Parties' intent in entering into this Agreement.

4.9 Titles and Subtitles. The titles and subtitles used in this Agreement are used for convenience only and are not to be considered in construing or interpreting this Agreement. All references in this Agreement to sections, paragraphs, and exhibits will, unless otherwise provided, refer to sections and paragraphs of this Agreement and exhibits attached to this Agreement.

4.10 Counterparts. This Agreement may be executed in any number of counterparts, each of which will be enforceable against the Parties that execute such counterparts, and all of which together will constitute one instrument.

4.11 Telecopy Execution and Delivery. A facsimile, telecopy, or other reproduction of this Agreement may be executed by one or more Parties, and an, executed copy of this Agreement may be delivered by one or more Parties by facsimile or similar electronic transmission device pursuant to which the signature of or on behalf of such Party can be seen, and such execution and delivery will be considered valid, binding, and effective for all purposes. At any Party's request, all Parties agree to execute an original of this Agreement as well as any facsimile, telecopy, or other reproduction of this Agreement.

4.12 Jurisdiction: Venue. With respect to any disputes arising out of or related to this Agreement, the Parties consent to the exclusive jurisdiction of, and venue in, the state courts located in Delaware (or, in the event of exclusive federal jurisdiction, the courts of the District of Delaware).

4.13 Jury Trial. **EACH OF THE PARTIES IRREVOCABLY WAIVES, TO THE FULLEST EXTENT PERMITTED BY LAW, ANY AND ALL RIGHT TO TRIAL BY JURY IN ANY LEGAL PROCEEDING (WHETHER SOUNDING IN CONTRACT, TORT, OR OTHERWISE) ARISING OUT OF OR RELATED TO THIS AGREEMENT.**

4.14 Further Assurances. Each Party agrees to execute and deliver, by the proper exercise of its corporate, limited liability company, partnership, or other powers, all such other and additional instruments and documents and do all such other acts and things as may be necessary to more fully effectuate this Agreement.

4.15 Construction. The Parties have participated jointly in negotiating and drafting this Agreement. If any ambiguity, question of intent, or question of interpretation arises with respect to this Agreement, then this Agreement will be construed as if drafted jointly by the Parties, and no presumption or burden of proof will arise favoring or disfavoring any Party by virtue of the authorship of any of the provisions of this Agreement. As used in this Agreement, the word "including" means "including, without limitation."

4.16 Additional Investors. Notwithstanding anything to the contrary contained herein, if the Company issues additional shares of the Company's Preferred Stock after the date hereof, whether pursuant to the Purchase Agreement or otherwise, any purchaser of such shares of Preferred Stock may become a party to this Agreement by executing and delivering an additional counterpart signature page to this Agreement, and thereafter shall be deemed an "Investor" for all purposes hereunder. No action or consent by the Investors shall be required for such joinder to this Agreement by such additional Investor, so long as such additional Investor has agreed in writing to be bound by all of the obligations as an "Investor" hereunder.

4.17 Termination Upon Change of Control. Except for the rights and obligations set forth in Section 1 above which shall terminate only as set forth in Section 1.14 above, all other rights and obligations under this Agreement (excluding any then-existing obligations) will terminate upon the closing of a Change of Control.

* * * * *

The Parties have executed this Second Amended and Restated Investors' Rights Agreement as of the Effective Date.

INARI MEDICAL, INC.
a Delaware corporation

/s/ William H. Hoffman
William H. Hoffman
President and Chief Executive Officer

Signature Page to Second Amended and Restated Investors' Rights Agreement

INVESTORS:

Coöperatieve Gilde Healthcare IV U.A.

By: /s/ Marc-Olivier Perret
Name: Marc-Olivier Perret
Title: Managing Partner

INVESTORS:

Milder Community Property Trust, dated 11/7/91

By: /s/ Donald B. Milder
Donald B. Milder
Trustee

Signature Page to Second Amended and Restated Investors' Rights Agreement

INVESTORS:

VERSANT VENTURE CAPITAL IV, L.P.
VERSANT SIDE FUND IV, L.P.

By: Versant Ventures IV, LLC
Its: General Partner
By: /s/ Kirk G. Nielsen
Name: Kirk G. Nielsen
Title: Managing Director

U.S. Venture Partners X, L.P.
USVP X Affiliates, L.P.
By Presidio Management Group X, L.L.C.
The General Partner of Each

By: /s/ Dale Holladay
Dale Holladay, Attorney-in-Fact

Signature Page to Second Amended and Restated Investors' Rights Agreement

Robert Rosenbluth TTEE, Robert Rosenbluth Trust
Under the Robert Rosenbluth Family Trust

By: /s/ Robert Rosenbluth
Name: Robert Rosenbluth
Title: TTEE

Robert Rosenbluth TTEE, Marital QTIP Trust Under
the Robert Rosenbluth Family Trust

By: /s/ Robert Rosenbluth
Name: Robert Rosenbluth
Title: TTEE

Brian J Cox and Kim D. Cox Co-trustees of the Cox Family Trust dated Sept. 21, 2006

By: /s/ Brian J. Cox; /s/ Kim D. Cox
Name: Brian J. Cox; Kim D. Cox
Title: Co-Trustee; Co-Trustee

PAUL LUBOCK TTEE, PAUL LUBOCK LIVING TRUST U/A DTD 02/04/2009

By: /s/ Paul Lubock Trustee
Name: Paul Lubock
Title: Trustee

Signature Page to Second Amended and Restated Investors' Rights Agreement

INVESTORS:

Pine Avenue Partners

By: /s/ Derrick Lee
Name: Derrick Lee
Title: General Partner

INVESTORS:

CVF, LLC

By: /s/ Richard H. Robb
Name: Richard Robb
Title: Manager

Signature Page to Second Amended and Restated Investors' Rights Agreement

INVESTORS:

/s/ William H. Hoffman
William H. Hoffman

INVESTORS:

/s/ Doug Hayman
Doug Hayman

/s/ Shawn Hayman
Shawn Hayman

INVESTORS:

/s/ Eben Gordon
Eben Gordon

INVESTORS:

Family Trust of Porter, Dtd 7/25/2007

/s/ Brian Strauss, Trustee
Brian Strauss, Trustee

/s/ Kelly Strauss - Trustee
Kelly Strauss, Trustee

Signature Page to Second Amended and Restated Investors' Rights Agreement

INVESTORS:

/s/ Andrew J. Hykes
Andrew J. Hykes

INVESTORS:

/s/ Matthew M. Nigro
Matthew M. Nigro

INVESTORS:

/s/ William M. Rosenstihl
William M. Rosenstihl

/s/ Susan Rosenstihl
Susan Rosenstihl

Signature Page to Second Amended and Restated Investors' Rights Agreement

INVESTORS:

/s/ Thomas A. Keene
Thomas A. Keene

INVESTORS:

/s/ John R. Borrell
John R. Borrell

NEITHER THIS WARRANT (AS DEFINED BELOW) NOR ANY SECURITIES THAT MAY BE ISSUED UPON EXERCISE HEREOF HAVE BEEN REGISTERED UNDER THE SECURITIES ACT OF 1933, AS AMENDED, OR REGISTERED OR OTHERWISE QUALIFIED UNDER ANY STATE SECURITIES LAW. NEITHER THIS WARRANT NOR ANY SUCH SECURITIES MAY BE SOLD OR OFFERED FOR SALE IN THE ABSENCE OF AN EFFECTIVE REGISTRATION STATEMENT UNDER SAID ACT AND REGISTRATION OR OTHER QUALIFICATION UNDER ANY APPLICABLE STATE SECURITIES LAWS, OR AN OPINION OF COUNSEL, SATISFACTORY TO THE COMPANY (AS DEFINED BELOW) THAT SUCH REGISTRATION OR OTHER QUALIFICATION IS NOT REQUIRED.

INARI MEDICAL, INC.
COMMON STOCK WARRANT

This Common Stock Warrant (this "Warrant") is issued as of February 19, 2015 (the "Issuance Date") by Inari Medical, Inc., a Delaware corporation (the "Company"), to Croton Partners, LLC (the "Holder").

1. Number of Shares. Subject to the terms and conditions set forth herein, the Holder is entitled, upon surrender of this Warrant at the principal office of the Company (or at such other place as the Company identifies in a written notice delivered to the Holder), to purchase from the Company Thirty Nine Thousand Seven Hundred Thirteen (39,713) shares ("Shares") of the Company's Common Stock.

2. Exercise Period; Price.

2.1 Exercise Period. This Warrant is exercisable to the Shares covered hereby during the period commencing on the Issuance Date and continuing until 5:00 p.m. Pacific Time on the date which is ten (10) years following the Issuance Date, at which time this Warrant shall expire (the "Expiration Date"). Notwithstanding anything else to the contrary contained herein, should a Change of Control occur after the Issuance Date and before the Expiration Date, then this Warrant shall be exercisable as to Shares covered hereby as of immediately prior to the consummation of such Change of Control. For purposes of this Warrant, "Change of Control" shall mean a merger, consolidation or reorganization of the Company with or into any other company or companies (unless the stockholders of the Company immediately prior to such merger, consolidation or reorganization hold at least a majority of the outstanding voting equity securities of the surviving entity immediately after such merger, consolidation or reorganization), a sale of all or substantially all of the assets of the Company, or any transaction or series of related transactions by the Company in which in excess of fifty percent (50%) of the Company's voting power is issued or transferred to one or more corporations or other entities or persons.

2.2 Exercise Price. The initial purchase price for each of the Shares shall be $0.10 per share. Such price shall be subject to adjustment pursuant to the terms hereof (such price, as adjusted from time to time, is hereinafter referred to as the "Exercise Price").

3. Method of Exercise.

3.1 Cash Exercise. Subject to Sections 1 and 2 above, the Holder may exercise, in whole or in part, the purchase rights evidenced by this Warrant. Such exercise shall be effected by: (i) the surrender of this Warrant, together with a duly executed copy of the form of exercise notice attached hereto as Annex I (the "Exercise Notice"), to the secretary of the Company at its principal office, accompanied by (ii) the payment to the Company by cash, check or wire transfer of an amount equal to the product of (A) the Exercise Price multiplied by (B) the number of Shares being purchased (such product, the "Purchase Price").

3.2 Net Issuance. In lieu of payment of the Purchase Price described in Section 3.1 above, the Holder may elect to receive, without the payment by the Holder of any additional consideration, Shares equal to the value of this Warrant or any portion hereof, by the surrender of this Warrant or such portion to the Company, with the Exercise Notice duly executed and so signifying the net issuance election, to the secretary of the Company at its principal office. Thereupon, the Company shall issue to the Holder such number of fully paid and nonassessable Shares as is computed using the following formula:

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

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

Y = the number of Shares covered by this Warrant in respect of which the net issuance election is made.

A = the "fair market value" of one Share, as determined in accordance with the provisions of this Section 3 as of the date of calculation.

B = the Exercise Price in effect under this Warrant at the time the net issuance election is made.

For purposes of this Section 3, the "fair market value" per Share shall be determined as follows:

(a) if traded on a securities exchange, the fair market value shall be deemed to be the average of the closing prices of the Shares on such exchange over the 30-day period ending three days prior to the closing of such transaction;

(b) if actively traded over-the-counter, the fair market value shall be deemed to be the average of the closing bid prices of the Shares over the 30-day period ending three days prior to the closing of such transaction; or

(c) if there is no active public market for the Shares, the fair market value shall be determined in good faith by the Board of Directors of the Company.

4. Certificates for Shares. Upon the exercise of the purchase rights evidenced by this Warrant, one or more certificates for the number of Shares so purchased shall be issued and delivered to the Holder as soon as practicable thereafter. Upon any partial exercise of this Warrant, the Company shall forthwith issue and deliver to the Holder a new warrant or warrants of like tenor as this Warrant for the remaining portion of the Shares for which this Warrant may still be exercised.

5. Issuance of Shares. The Company covenants that the Shares, when issued pursuant to the exercise of this Warrant, will be duly and validly issued, fully-paid and non-assessable and free from all taxes, liens, and charges with respect to the issuance thereof (except for any applicable transfer taxes, which shall be paid by the Holder).

6. Adjustment of Exercise Price and Number of Shares. The number of and kind of Shares purchasable upon exercise of this Warrant and the Exercise Price shall be subject to adjustment from time to time as follows:

6.1 Subdivisions, Combinations and Other Issuances. If the Company shall at any time or from time to time prior to the Expiration Date subdivide shares of Common Stock, by forward stock split or otherwise, or combine such shares, or issue additional such shares as a dividend with respect to any such shares, the number of Shares issuable on the exercise of this Warrant shall forthwith be proportionately increased in the case of a subdivision or stock dividend, or proportionately decreased in the case of a combination. Appropriate adjustments shall also be made to the Exercise Price payable per Share, but the Purchase Price payable for the total number of Shares purchasable under this Warrant (as adjusted) shall remain the same. Any adjustment under this Section 6.1 shall become effective as of the record date of such subdivision, combination, dividend, or other distribution, or in the event that no record date is fixed, upon the making of such subdivision, combination or dividend.

6.2 Merger, Consolidation, Reclassification, Reorganization, Etc. In case of any change in the Shares prior to the Expiration Date (other than as a result of a subdivision, combination, or stock dividend provided for in Section 6.1 above), whether through merger, consolidation, reclassification, reorganization, partial or complete liquidation, purchase of substantially all the assets of the Company, or other change in the capital structure of the Company, then, as a condition of such change, lawful and adequate provision will be made so that the Holder will have the right thereafter to receive upon the exercise of the Warrant the kind and amount of shares of stock or other securities or property to which he would have been entitled if, immediately prior to such event, he had held the number of Shares obtainable upon the exercise of the Warrant. In any such case, appropriate adjustment will be made in the application of the provisions set forth herein with respect to the rights and interest thereafter of the Holder, to the end that the provisions set forth herein will thereafter be applicable, as nearly as reasonably may be, in relation to any shares of stock or other property thereafter deliverable upon the exercise of the Warrant. The Company will not permit any change in its capital structure to occur unless the issuer of the shares of stock or other securities to be received by the Holder, if not the Company, agrees to be bound by and comply with the provisions of this Warrant.

7. Further Limitations on Disposition. The Holder agrees not to dispose of all or any portion of the Shares unless and until there is then in effect a registration statement under the Securities Act of 1933, as amended (the "Act") covering such proposed disposition and such disposition is made in accordance with such registration statement, or (a) the Holder shall have notified the Company of the proposed disposition and shall have furnished the Company with a detailed statement of the circumstances surrounding the proposed disposition, and (b) if reasonably requested by the Company, the Holder shall have furnished the Company with an opinion of counsel, reasonably satisfactory to the Company, that such disposition will not require registration of such Shares under the Act.

8. No Fractional Shares. Notwithstanding any provisions to the contrary in this Warrant, the Company shall not be required to issue certificates representing fractional Shares, but may instead make a payment in cash based on the fair market value of the Company's Shares as determined in good faith by the Company's Board of Directors.

9. No Rights as Stockholders. Prior to the exercise of this Warrant, the Holder shall not be entitled to any rights of a stockholder of the Company, including, without limitation, the right to vote, to receive dividends or other distributions or to exercise any pre-emptive rights, and the Holder shall not be entitled to receive any notice of any proceedings of the Company, except as provided herein or as otherwise agreed.

10. Loss, Etc. of Warrant. Upon receipt of evidence satisfactory to the Company of the loss, theft, destruction or mutilation of this Warrant, and of indemnity reasonably satisfactory to the Company if lost, stolen or destroyed, and upon surrender and cancellation of this Warrant if mutilated, and upon reimbursement of the Company's reasonable incidental expenses, the Company shall execute and deliver to the Holder a new Warrant of like date, tenor and denomination.

11. Miscellaneous.

11.1 Further Acts. Each of the parties hereto agrees to perform any further acts and execute and deliver any documents that may be reasonably necessary to carry out the provisions of this Warrant.

11.2 Notices. Unless otherwise provided, all notices and other communications required or permitted under this Warrant shall be in writing and shall be mailed by United States first-class mail, postage prepaid, sent by facsimile or delivered personally by hand or by a nationally recognized courier addressed to the party to be notified at the address or facsimile number indicated for such person on the signature page(s) hereto, or at such other address or facsimile number as such party may designate by ten (10) days' advance written notice to the other parties hereto. All such notices and other written communications shall be effective on the date of mailing, confirmed facsimile transfer or delivery.

11.3 Amendments. This Warrant may be amended, modified or terminated and the observance of any term hereof may be waived (cither generally or in a particular instance and either retroactively or prospectively) only by a written instrument executed by the Company and the Holder. Any amendment, modification, termination or waiver so effected shall be binding

upon the Company, the Holder and all of their respective successors and permitted assigns whether or not such party, assignee or other stockholder entered into or approved such amendment, modification, termination or waiver. No waivers of or exceptions to any term, condition or provision of this Warrant, in any one or more instances, shall be deemed to be, or construed as, a further or continuing waiver of any such term, condition or provision.

11.4 Transferability. Subject to compliance with applicable federal and state securities laws and any other contractual restrictions between the Company and the Holder, this Warrant and all rights hereunder are transferable in whole or in part by the Holder upon written notice to the Company. Within a reasonable time after the Company's receipt of an executed instrument of assignment, in form and substance reasonably acceptable to the Company, the transfer shall be recorded on the books of the Company upon the surrender of this Warrant, properly endorsed, to the Company at its principal offices, and the payment to the Company of all transfer taxes and other governmental charges imposed on such transfer. In the event of a partial transfer, the Company shall issue to the new holders one or more appropriate new warrants. Any attempted transfer or assignment of this Warrant (or any portion thereof) not complying with this Section 11.4 shall be null and void.

11.5 Headings; References. The headings of sections contained in this Warrant are included herein for reference purposes only, solely for the convenience of the parties hereto, and shall not in any way be deemed to effect the meaning, interpretation or applicability of this Warrant or any term, condition or provision hereof.

11.6 Successors and Assigns. All of the covenants, stipulations, promises, and agreements in this Warrant shall bind and inure to the benefit of the parties' respective successors and assigns, whether so expressed or not.

11.7 Applicable Law. This Warrant shall be governed by and construed under the laws of the State of California as applied to agreements among California residents entered into and to be performed entirely within California.

11.8 Attorneys' Fees. In the event that any party to this Warrant shall commence any suit, action, arbitration or other proceeding to interpret this Warrant, or to determine or enforce any right or obligation created hereby, including but not limited to any action for rescission of this Warrant or for a determination that this Warrant is void or ineffective *ab initio*, the prevailing party in such action shall recover such party's reasonable costs and expenses incurred in connection therewith, including reasonable attorneys' fees and costs of appeal, if any. Any court, arbitrator or panel of arbitrators shall, in entering any judgment or making any award in any such suit, action, arbitration or other proceeding, in addition to any and all other relief awarded to such prevailing party, include in such judgment or award such party's costs and expenses as provided in this Section 11.8.

11.9 Severability. If one or more provisions of this Warrant are held to be unenforceable under applicable law, such provision shall be excluded from this Warrant and the balance of the Warrant shall be interpreted as if such provision were so excluded and shall be enforceable in accordance with its terms.

11.10 Execution and Counterparts. This Warrant may be executed in any number of counterparts, each of which when so executed and delivered shall be deemed an original, and such counterparts together shall constitute only one instrument. Any one of such counterparts shall be sufficient for the purpose of proving the existence and terms of this Warrant, and no party shall be required to produce an original or all of such counterparts in making such proof.

11.11 Payments. Payments under this Warrant shall be due and payable in lawful money of the United States of America in funds which are or will be available for next business day use by the Company.

[Signature Page Follows]

IN WITNESS WHEREOF, the Company has caused this Warrant to be signed by its duly authorized officer.

COMPANY:

INARI MEDICAL, INC.,
a Delaware corporation

By: /s/ Bill Hoffman
Bill Hoffman
Chief Executive Officer

Address:

9272 Jeronimo Suite 124
Irvine CA 92618

HOLDER:

CROTON PARTNERS, LLC

By: /s/ James Chung
Name: James Chung

Title: Managing Director

Address:

2755 Campus Drive, Suite 220
San Mateo CA 94403

SIGNATURE PAGE TO WARRANT

ANNEX I

NOTICE OF EXERCISE

TO:

1. The undersigned Warrantholder ("**Holder**") elects to acquire the Shares of Inari Medical, Inc. (the "**Company**"), pursuant to the terms of the Warrant dated February __, 2015 (the "**Warrant**").

2. The Holder exercises its rights under the Warrant as set forth below:

☐ The Holder elects to purchase _____ Shares as provided in Section 3.1 and tenders herewith a check in the amount of $_____ as payment of the Purchase Price.

☐ The Holder elects to net issue exercise the Warrant for Shares as provided in Section 3.2 of the Warrant.

3. The Holder surrenders the Warrant with this Notice of Exercise.

4. The Holder represents that it is acquiring the aforesaid Shares for investment and not with a view to, or for resale in connection with, distribution and that the Holder has no present intention of distributing or reselling the shares unless in compliance with all applicable federal and state securities laws.

5. Please issue a certificate representing the Shares in the name of the Holder or in such other name as is specified below:

Name:

Address:

Taxpayer
I.D.:

By: _____

Name: _____

Title: _____

Date: _____

Exhibit 4.4

THIS WARRANT AND THE SHARES ISSUABLE HEREUNDER HAVE NOT BEEN REGISTERED UNDER THE SECURITIES ACT OF 1933, AS AMENDED (THE "**ACT**"), OR THE SECURITIES LAWS OF ANY STATE AND, EXCEPT AS SET FORTH IN SECTIONS 5.3 AND 5.4 BELOW, MAY NOT BE OFFERED, SOLD, PLEDGED OR OTHERWISE TRANSFERRED UNLESS AND UNTIL REGISTERED UNDER SAID ACT AND LAWS OR IN FORM AND SUBSTANCE SATISFACTORY TO THE COMPANY, SUCH OFFER, SALE, PLEDGE OR OTHER TRANSFER IS EXEMPT FROM SUCH REGISTRATION.

WARRANT TO PURCHASE STOCK

Company:	Inari Medical, Inc., a Delaware corporation
Number of Shares:	That number of Shares (rounded down to the nearest whole number) which could be purchased for $60,000 at the Warrant Price (the "**Initial Shares**"), plus all Additional Shares which Holder is entitled to purchase pursuant to Article 1.7.
Type/Series of Stock:	(i) Series A Preferred if the Series A Preferred Price (defined below) is lower than the Next Round Price (defined below), or (ii) Next Round Stock if the Next Round Price is lower than the Series A Preferred Price.
Warrant Price:	(i) If Series A Preferred Shares, then $1.00 per share ("**Series A Preferred Price**"), or (ii) if Next Round Stock, then the lowest price per Share paid by an investor for a share of Next Round Stock in connection with the Next Round ("**Next Round Price**"). As used herein, "**Next Round Stock**" means the series of the Company's preferred equity securities issued in connection with the Company's next bona fide round of preferred shares equity financing following the issuance of the Company's Series A Preferred Shares (the "**Next Round**").
Issue Date:	December 10, 2014
Expiration Date:	December 10, 2021 See also Section 5.l(b).
Credit Facility:	This Warrant to Purchase Stock ("**Warrant**") is issued in connection with that certain Loan and Security Agreement of even date herewith between Silicon Valley Bank and the Company (the "**Loan Agreement**").

THIS WARRANT CERTIFIES THAT, for good and valuable consideration, SILICON VALLEY BANK (together with any successor or permitted assignee or transferee of this Warrant or of any shares issued upon exercise hereof, "**Holder**") is entitled to purchase the number of fully paid and non-assessable shares (the "**Shares**") of the above-stated Type/Series of Stock (the "**Class**") of the above-named company (the "**Company**") at the above-stated Warrant Price, all as set forth above and as adjusted pursuant to Section 2 of this Warrant, subject to the provisions and upon the terms and conditions set forth in this Warrant. Reference is made to Section 5.4 of this Warrant whereby Silicon Valley Bank shall transfer this Warrant to its parent company, SVB Financial Group.

SECTION 1. EXERCISE.

1.1 Method of Exercise. Holder may at any time and from time to time exercise this Warrant, in whole or in part, by delivering to the Company the original of this Warrant together with a duly executed Notice of Exercise in substantially the form attached hereto as Appendix 1 and, unless Holder is exercising this Warrant pursuant to a cashless exercise set forth in Section 1.2, a check, wire transfer of same-day funds (to an account designated by the Company), or other form of payment acceptable to the Company in the amount obtained by multiplying the Warrant Price then in effect by the number of Shares thereby being purchased, as designated in the Notice of Exercise (the "**Aggregate Warrant Price**").

1.2 Cashless Exercise. On any exercise of this Warrant, in lieu of payment of the Aggregate Warrant Price in the manner as specified in Section 1.1 above, but otherwise in accordance with the requirements of Section 1.1, Holder may elect to receive Shares equal to the value of this Warrant, or portion hereof as to which this Warrant is being exercised. Thereupon, the Company shall issue to the Holder such number of fully paid and non-assessable Shares as are computed using the following formula:

$$X= Y(A-B)/A$$

where:

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

Y = the number of Shares with respect to which this Warrant is being exercised (inclusive of the Shares surrendered to the Company in payment of the Aggregate Warrant Price);

A = the Fair Market Value (as determined pursuant to Section 1.3 below) of one Share; and

B = the Warrant Price.

1.3 Fair Market Value. If the Company's common stock is then traded or quoted on a nationally recognized securities exchange, inter-dealer quotation system or over-the-counter market (a "**Trading Market**") and the Class is common stock, the fair market value of a Share shall be the closing price or last sale price of a share of common stock reported for the Business Day immediately before the date on which Holder delivers this Warrant together with its Notice of Exercise to the Company. If the Company's common stock is then traded in a Trading Market and the Class is a series of the Company's convertible preferred stock, the fair market value of a Share shall be the closing price or last sale price of a share of the Company's common stock reported for the Business Day immediately before the date on which Holder delivers this Warrant together with its Notice of Exercise to the Company multiplied by the number of shares of the Company's common stock into which a Share is then convertible. If the Company's common stock is not traded in a Trading Market, the Board of Directors of the Company shall determine the fair market value of a Share in its reasonable good faith judgment.

1.4 Delivery of Certificate and New Warrant. Within a reasonable time after Holder exercises this Warrant in the manner set forth in Section 1.1 or 1.2 above, the Company shall deliver to Holder a certificate representing the Shares issued to Holder upon such exercise and, if this Warrant has not been fully exercised and has not expired, a new warrant of like tenor representing the Shares not so acquired.

1.5 Replacement of Warrant. On 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, substance and amount to the Company or, in the case of mutilation, on surrender of this Warrant to the Company for cancellation, the Company shall, within a reasonable time, execute and deliver to Holder, in lieu of this Warrant, a new warrant of like tenor and amount.

1.6 Treatment of Warrant Upon Acquisition of Company.

(a) Acquisition. For the purpose of this Warrant, "**Acquisition**" means any transaction or series of related transactions involving: (i) the sale, lease, exclusive license, or other disposition of all or substantially all of the assets of the Company (ii) any merger or consolidation of the Company into or with another person or entity (other than a merger or consolidation effected exclusively to change the Company's domicile), or any other corporate reorganization, in which the stockholders of the Company in their capacity as such immediately prior to such merger, consolidation or reorganization, own less than a majority of the Company's (or the surviving or successor entity's) outstanding voting power immediately after such merger, consolidation or reorganization; or (iii) any sale or other transfer by the stockholders of the Company of shares representing at least a majority of the Company's then-total outstanding combined voting power.

(b) Treatment of Warrant at Acquisition. In the event of an Acquisition in which the consideration to be received by the Company's stockholders consists solely of cash, solely of Marketable Securities or a combination of cash and Marketable Securities (a "**Cash/Public Acquisition**"), either (i) Holder shall exercise this Warrant pursuant to Section 1.1 and/or 1.2 and such exercise will be deemed effective immediately prior to and contingent upon the consummation of such Acquisition or (ii) if Holder elects not to exercise the Warrant, this Warrant will expire immediately prior to the consummation of such Acquisition and be of no further force or effect.

(c) The Company shall provide Holder with written notice of its request relating to the Cash/Public Acquisition (together with such reasonable information as Holder may reasonably require regarding the treatment of this Warrant in connection with such contemplated Cash/Public Acquisition giving rise to such notice), which is to be delivered to Holder not less than seven (7) Business Days prior to the closing of the proposed Cash/Public Acquisition. In the event the Company does not provide such notice, then if, immediately prior to the Cash/Public Acquisition, the fair market value of one Share (or other security issuable upon the exercise hereof) as determined in accordance with Section 1.3 above would be greater than the Warrant Price in effect on such date, then this Warrant shall automatically be deemed on and as of such date to be exercised pursuant to Section 1.2 above as to all Shares (or such other securities) for which it shall not previously have been exercised, and the Company shall promptly notify the Holder of the number of Shares (or such other securities) issued upon such exercise to the Holder and Holder shall be deemed to have restated each of the representations and warranties in Section 4 of the Warrant as the date thereof.

(d) Upon the closing of any Acquisition other than a Cash/Public Acquisition defined above, the acquiring, surviving or successor entity shall assume the obligations of this Warrant, and this Warrant shall thereafter be exercisable for the same securities and/or other property as would have been paid for the Shares issuable upon exercise of the unexercised portion of this Warrant as if such Shares were outstanding on and as of the closing of such Acquisition, subject to further adjustment from time to time in accordance with the provisions of this Warrant.

(e) As used in this Warrant, "**Marketable Securities**" means securities meeting all of the following requirements: (i) the issuer thereof is then subject to the reporting requirements of Section 13 or Section 15(d) of the Securities Exchange Act of 1934, as amended (the "**Exchange Act**"), and is then current in its filing of all required reports and other information under the Act and the Exchange Act; (ii) the class and series of shares or other security of the issuer that would be received by Holder in connection with the Acquisition were Holder to exercise this Warrant on or prior to the closing thereof is then traded in a Trading Market, and (iii) following the closing of such Acquisition, Holder would not be restricted from publicly re-selling all of the issuer's shares and/or other securities that would be received by Holder in such Acquisition were Holder to exercise or convert this Warrant in full on or prior to the closing of such Acquisition, except to the extent that any such restriction (x) arises solely under federal or state securities laws, rules or regulations, and (y) does not extend beyond six (6) months from the closing of such Acquisition.

1.7 Additional Shares. In addition to the right to purchase the Initial Shares granted to Holder on the Issue Date, the Company shall be deemed to have automatically granted to Holder, in addition to the number of Shares which this Warrant can otherwise be exercised for by Holder, the right to purchase on the Funding Date of the initial Growth Capital Advance under Tranche B under the Loan Agreement at an exercise price per share equal to the Warrant Price, that number of additional Shares which could be purchased for $50,000 at the Warrant Price (such additional Shares being called the "**Additional Shares**"). Capitalized terms used but not defined in this Section 1.7 shall have the meanings given to them in the Loan Agreement.

1.8 Holder's Obligation to Execute Voting Agreement. Upon exercise of this Warrant, at the request of the Company, Holder agrees to become a party to that certain Voting Agreement, dated September 14, 2011, by and among the Company and certain of the Company's stockholders, as the same may be amended from time to time, or similar agreement.

SECTION 2. ADJUSTMENTS TO THE SHARES AND WARRANT PRICE.

2.1 Stock Dividends, Splits, Etc. If the Company declares or pays a dividend or distribution on the outstanding shares of the Class payable in common stock or other securities or property (other than cash), then upon exercise of this Warrant, for each Share acquired, Holder shall receive, without additional cost to Holder, the total number and kind of securities and property which Holder would have received had Holder owned the Shares of record as of the date the dividend or distribution occurred. If the Company subdivides the outstanding shares of the Class by reclassification or otherwise into a greater number of shares, the number of Shares purchasable hereunder shall be proportionately increased and the Warrant Price shall be proportionately decreased. If the outstanding shares of the Class are combined or consolidated, by reclassification or otherwise, into a lesser number of shares, the Warrant Price shall be proportionately increased and the number of Shares shall be proportionately decreased.

2.2 Reclassification, Exchange, Combinations or Substitution. Upon any event whereby all of the outstanding shares of the Class are reclassified, exchanged, combined, substituted, or replaced for, into, with or by Company securities of a different class and/or series, then from and after the consummation of such event, this Warrant will be exercisable for the number, class and series of Company securities that Holder would have received had the Shares been outstanding on and as of the consummation of such event, and subject to further adjustment thereafter from time to time in accordance with the provisions of this Warrant. The provisions of this Section 2.2 shall similarly apply to successive reclassifications, exchanges, combinations substitutions, replacements or other similar events.

2.3 Conversion of Preferred Stock. If the Class is a class and series of the Company's convertible preferred stock, in the event that all outstanding shares of the Class are converted, automatically or by action of the holders thereof, into common stock pursuant to the provisions of the Company's Certificate of Incorporation, including, without limitation, in connection with the Company's initial, underwritten public offering and sale of its common stock pursuant to an effective registration statement under the Act (the "**IPO**"), then from and after the date on which all outstanding shares of the Class have been so converted, this Warrant shall be exercisable for such number of shares of common stock into which the Shares would have been converted had the Shares been outstanding on the date of such conversion, and the Warrant Price shall equal the Warrant Price in effect as of immediately prior to such conversion divided by the number of shares of common stock into which one Share would have been converted, all subject to further adjustment thereafter from time to time in accordance with the provisions of this Warrant.

2.4 Adjustments for Diluting Issuances. Without duplication of any adjustment otherwise provided for in this Section 2, the number of shares of common stock issuable upon conversion of the Shares shall be subject to anti-dilution adjustment from time to time in the manner set forth in the Company's Certificate of Incorporation as if the Shares were issued and outstanding on and as of the date of any such required adjustment.

2.5 No Fractional Share. No fractional Share shall be issuable upon exercise of this Warrant and the number of Shares to be issued shall be rounded down to the nearest whole Share. If a fractional Share interest arises upon any exercise of the Warrant, the Company shall eliminate such fractional Share interest by paying Holder in cash the amount computed by multiplying the fractional interest by (i) the fair market value (as determined in accordance with Section 1.3 above) of a full Share, less (ii) the then-effective Warrant Price.

2.6 Notice/Certificate as to Adjustments. Upon each adjustment of the Warrant Price, Class and/or number of Shares, the Company, at the Company's expense, shall notify Holder in writing within a reasonable time setting forth the adjustments to the Warrant Price, Class and/or number of Shares and facts upon which such adjustment is based. The Company shall, upon written request from Holder, furnish Holder with a certificate of its Chief Financial Officer or other officer, including computations of such adjustment and the Warrant Price, Class and number of Shares in effect upon the date of such adjustment.

SECTION 3. REPRESENTATIONS AND COVENANTS OF THE COMPANY.

3.1 Representations and Warranties. The Company represents and warrants to, and agrees with, the Holder as follows:

(a) The initial Warrant Price referenced on the first page of this Warrant is not greater than the price per share at which shares of the Class were last sold and issued prior to the Issue Date hereof in an arms-length transaction in which at least $500,000 of such shares were sold.

(b) All Shares which may be issued upon the exercise of this Warrant, and all securities, if any, issuable upon conversion of the Shares, shall, upon issuance, be duly authorized, validly issued, fully paid and non-assessable, and free of any liens and encumbrances except for restrictions on transfer provided for herein or under applicable federal and state securities laws. The Company covenants that it shall at all times cause to be reserved and kept available out of its authorized and unissued capital stock such number of shares of the Class, common stock and other securities as will be sufficient to permit the exercise in full of this Warrant and the conversion of the Shares into common stock or such other securities.

(c) The Company's capitalization table attached hereto as Schedule 1 is true and complete, in all material respects, as of the Issue Date.

3.2 Notice of Certain Events. If the Company proposes at any time to:

(a) declare any dividend or distribution upon the outstanding shares of the Class or common stock, whether in cash, property, stock, or other securities and whether or not a regular cash dividend;

(b) offer for subscription or sale pro rata to the holders of the outstanding shares of the Class any additional shares of any class or series of the Company's stock (other than pursuant to contractual pre-emptive rights);

(c) effect any reclassification, exchange, combination, substitution, reorganization or recapitalization of the outstanding shares of the Class;

(d) effect an Acquisition or to liquidate, dissolve or wind up; or

(e) effect an IPO;

then, in connection with each such event, the Company shall give Holder:

(1) at least seven (7) Business Days prior written notice of the date on which a record will be taken for such dividend, distribution, or subscription rights (and specifying the date on which the holders of outstanding shares of the Class will be entitled thereto) or for determining rights to vote, if any, in respect of the matters referred to in (a) and (b) above;

(2) in the case of the matters referred to in (c) and (d) above at least seven (7) Business Days prior written notice of the date when the same will take place (and specifying the date on which the holders of outstanding shares of the Class will be entitled to exchange their shares for the securities or other property deliverable upon the occurrence of such event); and

(3) with respect to the IPO, at least seven (7) Business Days prior written notice of the date on which the Company proposes to file its registration statement in connection therewith.

Reference is made to Section 1.6(c) whereby this Warrant will be deemed to be exercised pursuant to Section 1.2 hereof if the Company does not give written notice to Holder of a Cash/Public Acquisition as required by the terms hereof. Company will also provide information requested by Holder that is reasonably necessary to enable Holder to comply with Holder's accounting or reporting requirements.

3.3 Registration Under Securities Act of 1933, as amended. The Company agrees that the Shares or, if the Shares are convertible into common stock of the Company, such common stock, shall have certain "piggyback" and "S-3" registration rights in parity with the investors pursuant to and as set forth in the Company's Investor Rights Agreement dated September 14, 2011 (the "**Investor Rights Agreement**"). The provisions set forth in the Investor Rights Agreement or similar agreement relating to the above in effect as of the Issue Date may not be amended, modified or waived without the prior written consent of Holder unless such amendment, modification or waiver affects the "piggyback" and "S-3" registration rights associated with the Shares in the same manner as such amendment, modification, or waiver affects the rights associated with all other shares of the same series and class as the Shares granted to Holder.

SECTION 4. REPRESENTATIONS, WARRANTIES OF THE HOLDER.

The Holder represents and warrants to the Company as follows:

4.1 Purchase for Own Account. This Warrant and the securities to be acquired upon exercise of this Warrant by Holder are being acquired for investment for Holder's account, not as a nominee or agent, and not with a view to the public resale or distribution within the meaning of the Act. Holder also represents that it has not been formed for the specific purpose of acquiring this Warrant or the Shares.

4.2 Disclosure of Information. Holder is aware of the Company's business affairs and financial condition and has received or has had full access to all the information it considers necessary or appropriate to make an informed investment decision with respect to the acquisition of this Warrant and its underlying securities. Holder further has had an opportunity to ask questions and receive answers from the Company regarding the terms and conditions of the offering of this Warrant and its underlying securities and to obtain additional information (to the extent the Company possessed such information or could acquire it without unreasonable effort or expense) necessary to verify any information furnished to Holder or to which Holder has access.

4.3 Investment Experience. Holder understands that the purchase of this Warrant and its underlying securities involves substantial risk. Holder has experience as an investor in securities of companies in the development stage and acknowledges that Holder can bear the economic risk of such Holder's investment in this Warrant and its underlying securities and has

such knowledge and experience in financial or business matters that Holder is capable of evaluating the merits and risks of its investment in this Warrant and its underlying securities and/or has a preexisting personal or business relationship with the Company and certain of its officers, directors or controlling persons of a nature and duration that enables Holder to be aware of the character, business acumen and financial circumstances of such persons.

4.4 Accredited Investor Status. Holder is an "accredited investor" within the meaning of Regulation D promulgated under the Act.

4.5 The Act. Holder understands that this Warrant and the Shares issuable upon exercise hereof have not been registered under the Act in reliance upon a specific exemption therefrom, which exemption depends upon, among other things, the bona fide nature of the Holder's investment intent as expressed herein. Holder understands that this Warrant and the Shares issued upon any exercise hereof must be held indefinitely unless subsequently registered under the Act and qualified under applicable state securities laws, or unless exemption from such registration and qualification are otherwise available. Holder is aware of the provisions of Rule 144 promulgated under the Act.

4.6 Market Stand-off Agreement. The Holder agrees that the Shares shall be subject to the Market Standoff provisions in Section 1.12 of the Investor Rights Agreement or similar agreement.

4.7 No Stockholder Rights. Except as provided in this Warrant, Holder, as a Holder of this Warrant, will not have any rights as a stockholder of the Company until the exercise of this Warrant.

SECTION 5. MISCELLANEOUS.

5.1 Term and Automatic Conversion Upon Expiration.

(a) Term. Subject to the provisions of Section 1.6 above, this Warrant is exercisable in whole or in part at any time and from time to time on or before 6:00 PM, Pacific time, on the Expiration Date and shall be void thereafter.

(b) Automatic Cashless Exercise upon Expiration. In the event that, upon the Expiration Date, the fair market value of one Share (or other security issuable upon the exercise hereof) as determined in accordance with Section 1.3 above is greater than the Warrant Price in effect on such date, then this Warrant shall automatically be deemed on and as of such date to be exercised pursuant to Section 1.2 above as to all Shares (or such other securities) for which it shall not previously have been exercised, and the Company shall, within a reasonable time, deliver a certificate representing the Shares (or such other securities) issued upon such exercise to Holder.

5.2 Legends. The Shares (and the securities issuable, directly or indirectly, upon conversion of the Shares, if any) shall be imprinted with a legend in substantially the following form:

> THE SHARES EVIDENCED BY THIS CERTIFICATE HAVE NOT BEEN REGISTERED UNDER THE SECURITIES ACT OF 1933, AS AMENDED (THE "**ACT**"), OR THE SECURITIES LAWS OF ANY STATE AND, EXCEPT AS SET FORTH IN THAT CERTAIN WARRANT TO PURCHASE STOCK ISSUED BY THE ISSUER TO SILICON VALLEY BANK DATED DECEMBER 10, 2014, MAY NOT BE OFFERED, SOLD, PLEDGED OR OTHERWISE TRANSFERRED UNLESS AND UNTIL REGISTERED UNDER SAID ACT AND LAWS OR IN FORM AND SUBSTANCE SATISFACTORY TO THE ISSUER, SUCH OFFER, SALE, PLEDGE OR OTHER TRANSFER IS EXEMPT FROM SUCH REGISTRATION.

5.3 Compliance with Securities Laws on Transfer. This Warrant and the Shares issuable upon exercise of this Warrant (and the securities issuable, directly or indirectly, upon conversion of the Shares, if any) may not be transferred or assigned in whole or in part except in compliance with applicable federal and state securities laws by the transferor and the transferee (including, without limitation, the delivery of investment representation letters and legal opinions reasonably satisfactory to the Company, as reasonably requested by the Company). The Company shall not require Holder to provide an opinion of counsel if the transfer is to SVB Financial Group (Silicon Valley Bank's parent company) or any other affiliate of Holder, provided that any such transferee is an "accredited investor" as defined in Regulation D promulgated under the Act. Additionally, the Company shall also not require an opinion of counsel if there is no material question as to the availability of Rule 144 promulgated under the Act.

5.4 Transfer Procedure. After receipt by Silicon Valley Bank of the executed Warrant, Silicon Valley Bank will transfer all of this Warrant to its parent company, SVB Financial Group. By its acceptance of this Warrant, SVB Financial Group hereby makes to the Company each of the representations and warranties set forth in Section 4 hereof and agrees to be bound by all of the terms and conditions of this Warrant as if the original Holder hereof. Subject to the provisions of Section 5.3 and upon providing the Company with written notice, SVB Financial Group and any subsequent Holder may transfer all or part of this Warrant or the Shares issuable upon exercise of this Warrant (or the securities issuable directly or indirectly, upon conversion of the Shares, if any) to any transferee, provided, however, in connection with any such transfer, SVB Financial Group or any subsequent Holder will give the Company notice of the portion of the Warrant being transferred with the name, address and taxpayer identification number of the transferee and Holder will surrender this Warrant to the Company for reissuance to the transferee(s) (and Holder if applicable); and provided further, that any subsequent transferee other than SVB Financial Group shall agree in writing with the Company to be bound by all of the terms and conditions of this Warrant. Notwithstanding any contrary provision herein, at all times prior to the IPO, Holder may not, without the Company's prior written consent, transfer this Warrant or any portion hereof, or any Shares issued upon any exercise hereof, or any shares or other securities issued upon any conversion of any Shares issued upon any exercise hereof, to any person or entity who directly competes with the Company, except in connection with an Acquisition of the Company by such a direct competitor.

5.5 Notices. All notices and other communications hereunder from the Company to the Holder, or vice versa, shall be deemed delivered and effective (i) when given personally, (ii) on the third (3rd) Business Day after being mailed by first-class registered or certified mail, postage prepaid, (iii) upon actual receipt if given by facsimile or electronic mail and such receipt is confirmed in writing by the recipient, or (iv) on the first Business Day following delivery to a reliable overnight courier service, courier fee prepaid, in any case at such address as may have been furnished to the Company or Holder, as the case may be, in writing by the Company or such Holder from time to time in accordance with the provisions of this Section 5.5. All notices to Holder shall be addressed as follows until the Company receives notice of a change of address in connection with a transfer or otherwise:

SVB Financial Group
Attn: Treasury Department
3003 Tasman Drive, HA 200
Santa Clara, CA 95054
Telephone: 408-654-7400
Facsimile: 408-496-2405
Email address: warradmi@svb.com

Notice to the Company shall be addressed as follows until Holder receives notice of a change in address:

Inari Medical, Inc.
Attn: Robert Rosenbluth
8 Argonaut, Suite 100
Aliso Viejo, California 92656
Telephone: 949-598-0300
Facsimile: 949-242-2535
Email: bobr@inarimedical.com

5.6 Waiver. This Warrant and any term hereof may be changed, waived, discharged or terminated (either generally or in a particular instance and either retroactively or prospectively) only by an instrument in writing signed by the party against which enforcement of such change, waiver, discharge or termination is sought.

5.7 Attorney's Fees. In the event of any dispute between the parties concerning the terms and provisions of this Warrant, the party prevailing in such dispute shall be entitled to collect from the other party all costs incurred in such dispute, including reasonable attorneys' fees.

5.8 Counterparts; Facsimile/Electronic Signatures. This Warrant may be executed in counterparts, all of which together shall constitute one and the same agreement. Any signature page delivered electronically or by facsimile shall be binding to the same extent as an original signature page with regards to any agreement subject to the terms hereof or any amendment thereto.

5.9 Governing Law. This Warrant shall be governed by and construed in accordance with the laws of the State of California, without giving effect to its principles regarding conflicts of law.

5.10 Headings. The headings in this Warrant are for purposes of reference only and shall not limit or otherwise affect the meaning of any provision of this Warrant.

5.11 Business Days. "**Business Day**" is any day that is not a Saturday, Sunday or a day on which Silicon Valley Bank is closed.

[Remainder of page left blank intentionally]
[Signature page follows]

IN WITNESS WHEREOF, the parties have caused this Warrant to Purchase Stock to be executed by their duly authorized representatives effective as of the Issue Date written above.

“COMPANY”

INARI MEDICAL, INC.

By: /s/ Robert Rosenbluth
Name: Robert Rosenbluth
(Print)
Title: CEO

“HOLDER”

SILICON VALLEY BANK

By: /s/ Brett Mauer
Name: Brett Mauer
(Print)
Title: Director

APPENDIX 1

NOTICE OF EXERCISE

1. The undersigned Holder hereby exercises its right purchase _____ shares of the Common/Series _____ Preferred [circle one] Stock of Inari Medical, Inc. (the "**Company**") in accordance with the attached Warrant To Purchase Stock, and tenders payment of the aggregate Warrant Price for such shares as follows:

☐ check in the amount of $_____ payable to order of the Company enclosed herewith

☐ Wire transfer of immediately available funds to the Company's account

☐ Cashless Exercise pursuant to Section 1.2 of the Warrant

☐ Other [Describe] _____

2. Please issue a certificate or certificates representing the Shares in the name specified below:

_____
Holder's Name

_____

_____
(Address)

3. By its execution below and for the benefit of the Company, Holder hereby restates each of the representations and warranties in Section 4 of the Warrant to Purchase Stock as of the date hereof.

HOLDER:

_____

By: _____
Name: _____
Title: _____
(Date): _____

Exhibit 4.5

THIS WARRANT AND THE SHARES ISSUABLE HEREUNDER HAVE NOT BEEN REGISTERED UNDER THE SECURITIES ACT OF 1933, AS AMENDED (THE "ACT"), OR THE SECURITIES LAWS OF ANY STATE AND, EXCEPT AS SET FORTH IN SECTIONS 5.3 AND 5.4 BELOW, MAY NOT BE OFFERED, SOLD, PLEDGED OR OTHERWISE TRANSFERRED UNLESS AND UNTIL REGISTERED UNDER SAID ACT AND LAWS OR IN FORM AND SUBSTANCE SATISFACTORY TO THE COMPANY, SUCH OFFER, SALE, PLEDGE OR OTHER TRANSFER IS EXEMPT FROM SUCH REGISTRATION.

WARRANT TO PURCHASE STOCK

Company:	INARI MEDICAL, INC., a Delaware corporation
Number of Shares:	128,205 (Subject to Section 1.7)
Type/Series of Stock:	Series B Preferred
Warrant Price:	$1.17 per share
Issue Date:	April 29, 2016
Expiration Date:	April 29, 2026 See also Section 5.1(b).

Credit Facility: This Warrant to Purchase Stock ("Warrant") is issued in connection with that certain Loan and Security Agreement of even date herewith between East West Bank and the Company (as modified, amended and or restated from time to time, the "Loan Agreement").

THIS WARRANT CERTIFIES THAT, for good and valuable consideration, EAST WEST BANK (together with any successor or permitted assignee or transferee of this Warrant or of any shares issued upon exercise hereof, "Holder") is entitled to purchase the number of fully paid and non-assessable shares (the "Shares") of the above-stated Type/Series of Stock (the "Class") of the above-named company (the "Company") at the above-stated Warrant Price, all as set forth above and as adjusted pursuant to Section 2 of this Warrant, subject to the provisions and upon the terms and conditions set forth in this Warrant.

SECTION 1. EXERCISE.

1.1 Method of Exercise. Holder may at any time and from time to time exercise this Warrant, in whole or in part, by delivering to the Company the original of this Warrant together with a duly executed Notice of Exercise in substantially the form attached hereto as Appendix 1 and, unless Holder is exercising this Warrant pursuant to a cashless exercise set forth in Section 1.2, a check, wire transfer of same-day funds (to an account designated by the Company), or other form of payment acceptable to the Company in the amount obtained by multiplying the Warrant Price then in effect by the number of Shares thereby being purchased, as designated in the Notice of Exercise (the "Aggregate Warrant Price").

1.2 Cashless Exercise. On any exercise of this Warrant, in lieu of payment of the Aggregate Warrant Price in the manner as specified in Section 1.1 above, but otherwise in accordance with the requirements of Section 1.1, Holder may elect to receive Shares equal to the value of this Warrant, or portion hereof as to which this Warrant is being exercised. Thereupon, the Company shall issue to the Holder such number of fully paid and non-assessable Shares as are computed using the following formula:

X = Y(A-B)/A

where:

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

Y = the number of Shares with respect to which this Warrant is being exercised (inclusive of the Shares surrendered to the Company in payment of the Aggregate Warrant Price);

A = the Fair Market Value (as determined pursuant to Section 1.3 below) of one Share; and

B = the Warrant Price.

1.3 Fair Market Value. If the Company's common stock is then traded or quoted on a nationally recognized securities exchange, inter-dealer quotation system or over-the-counter market (a "Trading Market") and the Class is common stock, the fair market value of a Share shall be the closing price or last sale price of a share of common stock reported for the Business Day immediately before the date on which Holder delivers this Warrant together with its Notice of Exercise to the Company. If the Company's common stock is then traded in a Trading Market and the Class is a series of the Company's convertible preferred stock, the fair market value of a Share shall be the closing price or last sale price of a share of the Company's common stock reported for the Business Day immediately before the date on which Holder delivers this Warrant together with its Notice of Exercise to the Company multiplied by the number of shares of the Company's common stock into which a Share is then convertible. If the Company's common stock is not traded in a Trading Market, the Board of Directors of the Company shall determine the fair market value of a Share in its reasonable good faith judgment.

1.4 Delivery of Certificate and New Warrant. Within a reasonable time after Holder exercises this Warrant in the manner set forth in Section 1.1 or 1.2 above, the Company shall deliver to Holder a certificate representing the Shares issued to Holder upon such exercise and, if this Warrant has not been fully exercised and has not expired, new warrant of like tenor representing the Shares not so acquired.

1.5 Replacement of Warrant. On 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, substance and amount to the Company or, in the case of mutilation, on surrender of this Warrant to the Company for cancellation, the Company shall, within a reasonable time, execute and deliver to Holder, in lieu of this Warrant, a new warrant of like tenor and amount

1.6 Treatment of Warrant Upon Acquisition of Company.

(a) For the purpose of this Warrant, "Acquisition" means any transaction or series of related transactions involving: (i) the sale, lease, exclusive license, or other disposition of all or substantially all of the assets of the Company (ii) any merger or consolidation of the Company into or with another person or entity (other than a merger or consolidation effected

exclusively to change the Company's domicile), or any other corporate reorganization, in which the stockholders of the Company in their capacity as such immediately prior to such merger, consolidation or reorganization, own less than a majority of the Company's (or the surviving or successor entity's) outstanding voting power immediately after such merger, consolidation or reorganization; or (iii) any sale or other transfer by the stockholders of the Company of shares representing at least a majority of the Company's then-total outstanding combined voting power.

(b) In the event of an Acquisition in which the consideration to be received by the Company's stockholders consists solely of cash, solely of Marketable Securities or a combination of cash and Marketable Securities (a "Cash/Public Acquisition"), either (i) Holder shall exercise this Warrant pursuant to Section 1.1 and/or 1.2 and such exercise will be deemed effective immediately prior to and contingent upon the consummation of such Acquisition or (ii) if Holder elects not to exercise the Warrant, this Warrant will expire immediately prior to the consummation of such Acquisition and be of no further force or effect.

(c) The Company shall provide Holder with written notice of the pending Cash/Public Acquisition (together with such reasonable information as Holder may reasonably require regarding the treatment of this Warrant in connection with such contemplated Cash/Public Acquisition giving rise to such notice), which is to be delivered to Holder not less than seven (7) Business Days prior to the closing of the proposed Cash/Public Acquisition. In the event the Company does not provide such notice, then if, immediately prior to the Cash/Public Acquisition, the fair market value of one Share (or other security issuable upon the exercise hereof) as determined in accordance with Section 1.3 above would be greater than the Warrant Price in effect on such date, then this Warrant shall automatically be deemed on and as of such date to be exercised pursuant to Section 1.2 above as to all Shares (or such other securities) for which it shall not previously have been exercised, and the Company shall promptly notify the Holder of the number of Shares (or such other securities) issued upon such exercise to the Holder and Holder shall be deemed to have restated each of the representations and warranties in Section 4 of the Warrant as the date thereof.

(d) Upon the closing of any Acquisition other than a Cash/Public Acquisition defined above, the acquiring, surviving or successor entity shall assume the obligations of this Warrant, and this Warrant shall thereafter be exercisable for the same securities and/or other property as would have been paid for the Shares issuable upon exercise of the unexercised portion of this Warrant as if such Shares were outstanding on and as of the closing of such Acquisition, subject to further adjustment from time to time in accordance with the provisions of this Warrant.

(e) As used in this Warrant, "Marketable Securities" means securities meeting all of the following requirements: (i) the issuer thereof is then subject to the reporting requirements of Section 13 or Section 15(d) of the Securities Exchange Act of 1934, as amended (the "Exchange Act"), and is then current in its filing of all required reports and other information under the Act and the Exchange Act; (ii) the class and series of shares or other security of the issuer that would be received by Holder in connection with the Acquisition were Holder to exercise this Warrant on or prior to the closing thereof is then traded in a Trading Market, and (iii) Holder would be able to publicly re-sell, within six (6) months following the closing of such Acquisition, all of the issuer's shares and/or other securities that would be received by Holder in such Acquisition were Holder to exercise this Warrant in full on or prior to the closing of such Acquisition.

1.7 Number of Shares. The Number of Shares for which this Warrant shall be exercisable shall be increased, automatically and without further action by Holder or the Company, by 128,205 Shares, upon East West Bank making the Draw B (as defined in the Loan Agreement) to the Company in accordance with the terms of the Loan Agreement, after which this Warrant shall be exercisable for 256,410 Shares. The Number of Shares, as adjusted by this Section 1.7, shall be subject to further adjustment as set forth in Section 2.

1.8 Holder's Obligation to Execute Voting Agreement. Upon exercise of this Warrant, at the request of the Company, Holder agrees to become a party to that certain Amended and Restated Voting Agreement, dated June 18, 2015, by and among the Company and certain of the Company's stockholders, as the same may be amended from time to time, or similar agreement

SECTION 2. ADJUSTMENTS TO THE SHARES AND WARRANT PRICE.

2.1 Stock Dividends, Splits, Etc. If the Company declares or pays a dividend or distribution on the outstanding shares of the Class payable in common stock or other securities or property (other than cash), then upon exercise of this Warrant, for each Share acquired, Holder shall receive, without additional cost to Holder, the total number and kind of securities and property which Holder would have received had Holder owned the Shares of record as of the date the dividend or distribution occurred. If the Company subdivides the outstanding shares of the Class by reclassification or otherwise into a greater number of shares, the number of Shares purchasable hereunder shall be proportionately increased and the Warrant Price shall be proportionately decreased. If the outstanding shares of the Class are combined or consolidated, by reclassification or otherwise, into a lesser number of shares, the Warrant Price shall be proportionately increased and the number of Shares shall be proportionately decreased.

2.2 Reclassification, Exchange, Combinations or Substitution. Upon any event whereby all of the outstanding shares of the Class are reclassified, exchanged, combined, substituted, or replaced for, into, with or by Company securities of a different class and/or series, then from and after the consummation of such event, this Warrant will be exercisable for the number, class and series of Company securities that Holder would have received had the Shares been outstanding on and as of the consummation of such event, and subject to further adjustment thereafter from time to time in accordance with the provisions of this Warrant. The provisions of this Section 2.2 shall similarly apply to successive reclassifications, exchanges, combinations substitutions, replacements or other similar events.

2.3 Conversion of Preferred Stock. If the Class is a class and series of the Company's convertible preferred stock, in the event that all outstanding shares of the Class are converted, automatically or by action of the holders thereof, into common stock pursuant to the provisions of the Company's Certificate of Incorporation, including, without limitation, in connection with the Company's initial, underwritten public offering and sale of its common stock pursuant to an effective registration statement under the Act (the "IPO"), then from and after the date on which all outstanding shares of the Class have been so converted, this Warrant shall be exercisable for such number of shares of common stock into which the Shares would have been converted had the Shares been outstanding on the date of such conversion, and the Warrant Price shall equal the Warrant Price in effect as of immediately prior to such conversion divided by the number of shares of common stock into which one Share would have been converted, all subject to further adjustment thereafter from time to time in accordance with the provisions of this Warrant.

2.4 Adjustments for Diluting Issuances. Without duplication of any adjustment otherwise provided for in this Section 2, the number of shares of common stock issuable upon conversion of the Shares shall be subject to anti-dilution adjustment from time to time in the manner set forth in the Company's Certificate of Incorporation as if the Shares were issued and outstanding on and as of the date of any such required adjustment.

2.5 No Fractional Share. No fractional Share shall be issuable upon exercise of this Warrant and the number of Shares to be issued shall be rounded down to the nearest whole Share. If a fractional Share interest arises upon any exercise of the Warrant, the Company shall eliminate such fractional Share interest by paying Holder in cash the amount computed by multiplying the fractional interest by (i) the fair market value (as determined in accordance with Section 1.3 above) of a full Share, less (ii) the then-effective Warrant Price.

2.6 Notice/Certificate as to Adjustments. Upon each adjustment of the Warrant Price, Class and/or number of Shares, the Company, at the Company's expense, shall notify Holder in writing within a reasonable time setting forth the adjustments to the Warrant Price, Class and/or number of Shares and facts upon which such adjustment is based. The Company shall, upon written request from Holder, furnish Holder with a certificate of its Chief Financial Officer (or other authorized officer), including computations of such adjustment and the Warrant Price, Class and number of Shares in effect upon the date of such adjustment.

SECTION 3. REPRESENTATIONS AND COVENANTS OF THE COMPANY.

3.1 Representations and Warranties. The Company represents and warrants to, and agrees with, the Holder as follows:

(a) The initial Warrant Price referenced on the first page of this Warrant is not greater than the price per share at which shares of the Class were last sold and issued prior to the Issue Date hereof in an arms-length transaction in which at least $500,000 of such shares were sold.

(b) All Shares which may be issued upon the exercise of this Warrant, and all securities, if any, issuable upon conversion of the Shares, shall, upon issuance, be duly authorized, validly issued, fully paid and non-assessable, and free of any liens and encumbrances except for restrictions on transfer provided for herein or under applicable federal and state securities laws. The Company covenants that it shall at all times cause to be reserved and kept available out of its authorized and unissued capital stock such number of shares of the Class, common stock and other securities as will be sufficient to permit the exercise in full of this Warrant and the conversion of the Shares into common stock or such other securities.

(c) The Company's capitalization table attached hereto as Schedule 1 is true and complete, in all material respects, as of the Issue Date.

3.2 Notice of Certain Events. If the Company proposes at any time to:

(a) declare any dividend or distribution upon the outstanding shares of the Class or common stock, whether in cash, property, stock, or other securities and whether or not a regular cash dividend;

(b) offer for subscription or sale pro rata to the holders of the outstanding shares of the Class any additional shares of any class or series of the Company's stock (other than pursuant to contractual pre-emptive rights);

(c) effect any reclassification, exchange, combination, substitution, reorganization or recapitalization of the outstanding shares of the Class;

(d) effect an Acquisition or to liquidate, dissolve or wind up; or

(e) effect an IPO;

then, in connection with each such event, the Company shall give Holder:

(1) at least seven (7) Business Days prior written notice of the date on which a record will be taken for such dividend, distribution, or subscription rights (and specifying the date on which the holders of outstanding shares of the Class will be entitled thereto) or for determining rights to vote, if any, in respect of the matters referred to in (a) and (b) above;

(2) in the case of the matters referred to in (c) and (d) above at least seven (7) Business Days prior written notice of the date when the same will take place (and specifying the date on which the holders of outstanding shares of the Class will be entitled to exchange their shares for the securities or other property deliverable upon the occurrence of such event); and

(3) with respect to the IPO, at least seven (7) Business Days prior written notice of the date on which the Company proposes to file its registration statement in connection therewith.

Reference is made to Section 1.6(c) whereby this Warrant will be deemed to be exercised pursuant to Section 1.2 hereof if the Company does not give written notice to Holder of a Cash/Public Acquisition as required by the terms hereof. Company will also provide information requested by Holder that is reasonably necessary to enable Holder to comply with Holder's accounting or reporting requirements.

SECTION 4. REPRESENTATIONS, WARRANTIES OF THE HOLDER.

The Holder represents and warrants to the Company as follows:

4.1 Purchase for Own Account. This Warrant and the securities to be acquired upon exercise of this Warrant by Holder are being acquired for investment for Holder's account, not as a nominee or agent, and not with a view to the public resale or distribution within the meaning of the Act. Holder also represents that it has not been formed for the specific purpose of acquiring this Warrant or the Shares.

4.2 Disclosure of Information. Holder is aware of the Company's business affairs and financial condition and has received or has had full access to all the information it considers necessary or appropriate to make an informed investment decision with respect to the acquisition of this Warrant and its underlying securities. Holder further has had an opportunity to ask questions and receive answers from the Company regarding the terms and conditions of the offering of this Warrant and its underlying securities and to obtain additional information (to the extent the Company possessed such information or could acquire it without unreasonable effort or expense) necessary to verify any information furnished to Holder or to which Holder has access.

4.3 Investment Experience. Holder understands that the purchase of this Warrant and its underlying securities involves substantial risk. Holder has experience as an investor in securities of companies in the development stage and acknowledges that Holder can bear the economic risk of such Holder's investment in this Warrant and its underlying securities and has such knowledge and experience in financial or business matters that Holder is capable of evaluating the merits and risks of its investment in this Warrant and its underlying securities and/or has a preexisting personal or business relationship with the Company and certain of its officers, directors or controlling persons of a nature and duration that enables Holder to be aware of the character, business acumen and financial circumstances of such persons.

4.4 Accredited Investor Status. Holder is an "accredited investor" within the meaning of Regulation D promulgated under the Act.

4.5 The Act. Holder understands that this Warrant and the Shares issuable upon exercise hereof have not been registered under the Act in reliance upon a specific exemption therefrom, which exemption depends upon, among other things, the bona fide nature of the Holder's investment intent as expressed herein. Holder understands that this Warrant and the Shares issued upon any exercise hereof must be held indefinitely unless subsequently registered under the Act and qualified under applicable state securities laws, or unless exemption from such registration and qualification are otherwise available. Holder is aware of the provisions of Rule 144 promulgated under the Act.

4.6 Market Stand-off Agreement. The Holder agrees that the Shares shall be subject to the Market Standoff provisions in Section 1.12 of the Company's Amended and Restated Investors' Rights Agreement dated June 18, 2015 as in effect on the Issue Date.

4.7 No Stockholder Rights. Except as provided by this Warrant, Holder, as a Holder of this Warrant, will not have any rights as a stockholder of the Company until the exercise of this Warrant.

SECTION 5. MISCELLANEOUS.

5.1 Term and Automatic Conversion Upon Expiration.

(a) Term. Subject to the provisions of Section 1.6 above, this Warrant is exercisable in whole or in part at any time and from time to time on or before 5:00 PM, Pacific time, on the Expiration Date and shall be void thereafter.

(b) Automatic Cashless Exercise upon Expiration. In the event that, upon the Expiration Date, the fair market value of one Share (or other security issuable upon the exercise hereof) as determined in accordance with Section 1.3 above is greater than the Warrant Price in effect on such date, then this Warrant shall automatically be deemed on and as of such date to be exercised pursuant to Section 1.2 above as to all Shares (or such other securities) for which it shall not previously have been exercised, and the Company shall, within a reasonable time, deliver a certificate representing the Shares (or such other securities) issued upon such exercise to Holder.

5.2 Legends. The Shares (and the securities issuable, directly or indirectly, upon conversion of the Shares, if any) shall be imprinted with a legend in substantially the following form:

> THE SHARES EVIDENCED BY THIS CERTIFICATE HAVE NOT BEEN REGISTERED UNDER THE SECURITIES ACT OF 1933, AS AMENDED (THE "ACT"), OR THE SECURITIES LAWS OF ANY STATE AND, EXCEPT AS SET FORTH IN THAT CERTAIN WARRANT TO PURCHASE STOCK ISSUED BY THE ISSUER TO EAST WEST BANK DATED APRIL 29, 2016, MAY NOT BE OFFERED, SOLD, PLEDGED OR OTHERWISE TRANSFERRED UNLESS AND UNTIL REGISTERED UNDER SAID ACT AND LAWS OR IN FORM AND SUBSTANCE SATISFACTORY TO THE ISSUER, SUCH OFFER, SALE, PLEDGE OR OTHER TRANSFER IS EXEMPT FROM SUCH REGISTRATION.

5.3 Compliance with Securities Laws on Transfer. This Warrant and the Shares issuable upon exercise of this Warrant (and the securities issuable, directly or indirectly, upon conversion of the Shares, if any) may not be transferred or assigned in whole or in part except in compliance with applicable federal and state securities laws by the transferor and the transferee (including, without limitation, the delivery of investment representation letters and legal opinions reasonably satisfactory to the Company, as reasonably requested by the Company). The Company shall not require Holder to provide an opinion of counsel if the transfer is to an affiliate of Holder, provided that any such transferee is an "accredited investor" as defined in Regulation D promulgated under the Act. Additionally, the Company shall also not require an opinion of counsel if there is no material question as to the availability of Rule 144 promulgated under the Act.

5.4 Transfer Procedure. After receipt of this Warrant, Bank will transfer all of this Warrant to its parent company, East West Bancorp, Inc. ("EWBI"). By its acceptance of this Warrant, EWBI hereby makes to the Company each of the representations and warranties set forth in Section 4 hereof and agrees to be bound by all of the terms and conditions of this Warrant as if the original Holder hereof. Subject to the provisions of Section 5.3 and upon providing the Company with written notice, EWBI and any subsequent Holder may transfer all or part of this Warrant or the Shares issuable upon exercise of this Warrant (or the securities issuable, directly or indirectly, upon conversion of the Shares, if any) to any transferee by giving the Company notice of the portion of the Warrant being transferred setting forth the name, address and taxpayer identification number of the transferee and surrendering this Warrant to the Company for reissuance to the transferee(s) (and Holder, if applicable), provided that any subsequent transferee other than EWBI shall agree in writing with the Company to be bound by all of the terms and conditions of this Warrant. Notwithstanding any contrary provision herein, at all times prior to the IPO, Holder may not, without the Company's prior written consent, transfer this Warrant or any portion thereof, or any Shares issued upon any exercise hereof, or any shares or other securities issued upon any conversion of any Shares issued upon any exercise hereof, to any person or entity who directly competes with the Company, except in connection with (i) an Acquisition of the Company by such a direct competitor, (ii) a transfer by Bank or EWBI of the Loan Agreement or (iii) any acquisition of Bank or EWBI or the portfolio of which the Loan Agreement is a part. The terms and conditions of this Warrant shall inure to the benefit of, and be binding upon, the Company and the Holders hereof and their respective permitted successors and assigns.

5.5 Notices. All notices and other communications hereunder from the Company to the Holder, or vice versa, shall be deemed delivered and effective (i) when given personally, (ii) on the third (3rd) Business Day after being mailed by first-class registered or certified mail, postage prepaid, (iii) upon actual receipt if given by facsimile or electronic mail and such receipt is confirmed in writing by the recipient, or (iv) on the first Business Day following delivery to a reliable overnight courier service, courier fee prepaid, in any case at such address as may have been furnished to the Company or Holder, as the case may be, in writing by the Company or such Holder from time to time in accordance with the provisions of this Section 5.5. All notices to Holder shall be addressed as follows until the Company receives notice of a change of address in connection with a transfer or otherwise:

East West Bank
2350 Mission College Blvd., Suite 988
Santa Clara, CA 95054
Telephone: (408) 330-2005
Email: linda.lebeau@eastwestbank.com

Notice to the Company shall be addressed as follows until Holder receives notice of a change in address:

INARI MEDICAL, INC.
9272 Jeronimo Road, Suite 124
Irvine, CA 92618
Telephone: (949) 600-8433
Email: billh@inarimedical.com

5.6 Waiver. This Warrant and any term hereof may be changed, waived, discharged or terminated (either generally or in a particular instance and either retroactively or prospectively) only by an instrument in writing signed by the party against which enforcement of such change, waiver, discharge or termination is sought.

5.7 Attorney's Fees. In the event of any dispute between the parties concerning the terms and provisions of this Warrant, the party prevailing in such dispute shall be entitled to collect from the other party all costs incurred in such dispute, including reasonable attorneys' fees.

5.8 Counterparts; Facsimile/Electronic Signatures. This Warrant may be executed in counterparts, all of which together shall constitute one and the same agreement. Any signature page delivered electronically or by facsimile shall be binding to the same extent as an original signature page with regards to any agreement subject to the terms hereof or any amendment thereto.

5.9 Governing Law. This Warrant shall be governed by and construed in accordance with the laws of the State of California, without giving effect to its principles regarding conflicts of law.

5.10 Headings. The headings in this Warrant are for purposes of reference only and shall not limit or otherwise affect the meaning of any provision of this Warrant.

5.11 Business Days. "Business Day" is any day that is not a Saturday, Sunday or a day on which East West Bank is closed.

[*Balance of Page Intentionally Left Blank*]

IN WITNESS WHEREOF, the parties have caused this Warrant to Purchase Stock to be executed by their duly authorized representatives effective as of the Issue Date written above.

"COMPANY"

INARI MEDICAL, INC.

By: /s/ William H. Hoffman

Name: William H. Hoffman

Title: CEO

"HOLDER"

EAST WEST BANK

By: /s/ Linda S. Le Beau

Name: Linda S. Le Beau

Title: Managing Director Life Sciences

APPENDIX 1

NOTICE OF EXERCISE

1. The undersigned Holder hereby exercises its right purchase _____ shares of the Common/Series _____ Preferred [circle one] Stock of INARI MEDICAL, INC. (the "Company") in accordance with the attached Warrant To Purchase Stock, and tenders payment of the aggregate Warrant Price for such shares as follows:

[ ] check in the amount of $_____ payable to order of the Company enclosed herewith

[ ] Wire transfer of immediately available funds to the Company's account

[ ] Cashless Exercise pursuant to Section 1.2 of the Warrant

[ ] Other [Describe] _____

2. Please issue a certificate or certificates representing the Shares in the name specified below:

_____
Holder's Name

_____

_____
(Address)

3. By its execution below and for the benefit of the Company, Holder hereby restates each of the representations and warranties in Section 4 of the Warrant to Purchase Stock as of the date hereof.

HOLDER:

_____

By:

Name:

Title:

Date:

Exhibit 10.2

LEASE

BETWEEN

BAKE TECHNOLOGY PARK LLC

AND

INARI MEDICAL, INC.

LEASE

THIS LEASE is made as of March 6 2019, by and between **BAKE TECHNOLOGY PARK LLC**, a Delaware limited liability company, hereafter called "**Landlord**," and **INARI MEDICAL, INC.**, a Delaware corporation, hereafter called "**Tenant**."

ARTICLE 1. BASIC LEASE PROVISIONS

Each reference in this Lease to the "**Basic Lease Provisions**" shall mean and refer to the following collective terms, the application of which shall be governed by the provisions in the remaining Articles of this Lease.

1. **Tenant's Trade Name**: N/A

2. **Premises**: Suite Nos. 100 and 250 (The Premises are more particularly described in Section 2.1)

Address of Building: 9 Parker, Irvine, CA 92618
Project Description: Bake Technology Park (as shown on **Exhibit Y** to this Lease)

3. **Use of Premises**: General office and warehouse for a medical technology manufacturer and for no other use.

4. **Estimated Commencement Date**: 17 weeks following the date Landlord obtains possession of the Premises free of any third party occupancy, estimated to be September 15, 2019.

5. **Lease Term**: 60 months, plus such additional days as may be required to cause this Lease to expire on the final day of the calendar month.

6. **Basic Rent**:

Months of Term or Period	Monthly Rate Per Rentable Square Foot	Monthly Basic Rent (rounded to the nearest dollar)
1 to 12*	$ 1.43	$ 45,760.00
13 to 24*	$ 1.49	$ 47,680.00
25 to 36*	$ 1.56	$ 49,920.00
37 to 48*	$ 1.63	$ 52,160.00
49 to 60	$ 1.70	$ 64,940.00

* Based on the Initial Premises (defined below) only (i.e., 32,000 rentable square feet).

Notwithstanding the above schedule of Basic Rent to the contrary, as long as Tenant is not in Default (as defined in Section 14.1) under this Lease, Tenant shall be entitled to an abatement of one (1) full calendar month of Basic Rent in the amount of $45,760.00 (the "**Abated Basic Rent**") for the first full calendar month of the Term (the "**Abatement Period**"). In the event Tenant Defaults at any time during the Term beyond any applicable

"cure" period with the result that Tenant's right to possession of the Premises is terminated, then unamortized Abated Basic Rent to the date of such termination (amortized over the initial 60 full calendar months of the Term) shall be recoverable as part of Landlord's damages. The payment by Tenant of the Abated Basic Rent in the event of a Default shall not limit or affect any of Landlord's other rights, pursuant to this Lease or at law or in equity. Only Basic Rent shall be abated during the Abatement Period and all other additional rent and other costs and charges specified in this Lease shall remain as due and payable pursuant to the provisions of this Lease.

7. **Expense Recovery Period**: Every twelve month period during the Term (or portion thereof during the first and last Lease years) ending June 30.

8. **Floor Area of Premises**: approximately 38,200 rentable square feet (comprised of 32,000 rentable square feet (the "**Initial Premises**")) and 6,200 rentable square feet of Must Take Space (as defined in Section 1 of **Exhibit G** to this Lease).

   Floor Area of Building: approximately 59,585 rentable square feet

9. **Security Deposit or Letter of Credit**: $337,920.00

10. **Broker(s)**: Irvine Management Company ("**Landlord's Broker**") is the agent of Landlord exclusively and Newmark Knight Frank ("**Tenant's Broker**") is the agent of Tenant exclusively.

11. **Parking**: 125 parking spaces in accordance with the provisions set forth in **Exhibit F** to this Lease.

12. **Address for Payments and Notices**:

LANDLORD

Payment Address:

BAKE TECHNOLOGY PARK LLC
P.O. Box #846379
Los Angeles, CA 90084-6379

Notice Address:

THE IRVINE COMPANY LLC
550 Newport Center Drive
Newport Beach, CA 92660
Attn: Senior Vice President,
Property Operations
Office Properties

TENANT

Prior to the Commencement Date:

INARI MEDICAL, INC.
9272 Jeronimo Road, Suite 122
Irvine, CA 92618
Attn: CFO

From and after the Commencement Date:

INARI MEDICAL, INC.
9 Parker, Suite 100
Irvine, CA 92618
Attn: CFO

LIST OF EXHIBITS (All exhibits, riders and addenda attached to this Lease are hereby incorporated into and made a part of this Lease):

Exhibit A	Description of Premises
Exhibit B	Operating Expenses (Net)
Exhibit C	Utilities and Service
Exhibit D	Tenant’s Insurance
Exhibit E	Rules and Regulations
Exhibit F	Parking
Exhibit G	Additional Provisions
Exhibit H	Landlord’s Disclosures
Exhibit I	Letter of Credit
Exhibit J	Survey Form
Exhibit X	Work Letter
Exhibit Y	Project Description

ARTICLE 2. PREMISES

2.1 LEASED PREMISES. Landlord leases to Tenant and Tenant leases from Landlord the Premises shown in **Exhibit A** (the "**Premises**"), containing approximately the floor area set forth in Item 8 of the Basic Lease Provisions (the "**Floor Area**"). The Premises are located in the building identified in Item 2 of the Basic Lease Provisions (the "**Building**"), which is a portion of the project described in Item 2 (the "**Project**"). Landlord and Tenant stipulate and agree that the Floor Area of Premises set forth in Item 8 of the Basic Lease Provisions is correct.

2.2 ACCEPTANCE OF PREMISES. Tenant acknowledges that neither Landlord nor any representative of Landlord has made any representation or warranty with respect to the Premises, the Building or the Project or the suitability or fitness of either for any purpose, except as set forth in this Lease. Tenant acknowledges that the flooring materials which may be installed within portions of the Premises located on the ground floor of the Building may be limited by the moisture content of the Building slab and underlying soils. The taking of possession or use of the Premises by Tenant for any purpose other than construction shall conclusively establish that the Premises and the Building were in satisfactory condition and in conformity with the provisions of this Lease in all respects, except for those matters which Tenant shall have brought to Landlord's attention on a written punch list. The punch list shall be limited to any items required to be accomplished by Landlord under the Work Letter (if any) attached as **Exhibit X**, and shall be delivered to Landlord within 30 days after the Commencement Date (as defined herein). If there is no Work Letter, or if no items are required of Landlord under the Work Letter, by taking possession of the Premises Tenant accepts the improvements in their existing condition, and waives any right or claim against Landlord arising out of the condition of the Premises. Nothing contained in this Section 2.2 shall affect the commencement of the Term or the obligation of Tenant to pay rent. Landlord shall diligently complete all punch list items of which it is notified as provided above.

ARTICLE 3. TERM

3.1 GENERAL. The term of this Lease ("**Term**") shall be for the period shown in Item 5 of the Basic Lease Provisions. The Term shall commence ("**Commencement Date**") on the earlier of (a) the date the Premises are deemed "ready for occupancy" (as hereinafter defined) and possession thereof is delivered to Tenant, but not earlier than September 1, 2019, or (b) the date Tenant commences its regular business activities within the Premises. Promptly following request by Landlord, the parties shall memorialize on a form provided by Landlord (the "**Commencement Memorandum**") the actual Commencement Date and the expiration date ("**Expiration Date**") of this Lease; should Tenant fail to execute and return the Commencement Memorandum to Landlord within 10 business days (or provide specific written objections thereto within that period), then Landlord's determination of the Commencement and Expiration Dates as set forth in the Commencement Memorandum shall be conclusive. The Premises shall be deemed "**ready for occupancy**" when Landlord, to the extent applicable, (i) has substantially completed all the work required to be completed by Landlord pursuant to the Work Letter (if any) attached to this Lease but for minor punch list matters, and (ii) has obtained the requisite governmental approvals for Tenant's occupancy in connection with such work.

3.2 DELAY IN POSSESSION. Subject to Section 3.3 below, If Landlord, for any reason whatsoever, cannot deliver possession of the Premises to Tenant on or before the Estimated Commencement Date set forth in Item 4 of the Basic Lease Provisions, this Lease shall not be void or voidable nor shall Landlord be liable to Tenant for any resulting loss or damage. However, Tenant shall not be liable for any rent until the Commencement Date occurs as provided in Section 3.1 above, except that if Landlord's failure to substantially complete all work required of Landlord pursuant to Section 3.1(i) above is attributable to any Tenant Delay described in the Work Letter attached to this Lease, then the Premises shall be deemed ready for occupancy, and Landlord shall be entitled to full performance by Tenant (including the payment of rent), as of the date Landlord would have been able to substantially complete such work and deliver the Premises to Tenant but for such Tenant Delay.

3.3 TERMINATION RIGHT FOR LATE POSSESSION. Notwithstanding anything to the contrary contained in Section 3.2 of the Lease, if for any reason Landlord has not obtained legal possession of the Premises free of any third party occupancy ("**Landlord's Possession**") by September 1, 2019 (the "**Outside Date**"), then Tenant may, by written notice to Landlord given at any time thereafter but prior to Landlord's Possession, elect to terminate this Lease; provided, however, that if Landlord's Possession occurs within 10 business days after delivery to Landlord of Tenant's termination notice, this Lease shall continue in full force and effect. If Landlord's Possession has not occurred within 10 business days after the date of delivery of Tenant's termination notice, then this Lease shall terminate as of the 10th business day after delivery of the termination notice, and Landlord shall promptly return to Tenant any prepaid Rent and/or Security Deposit delivered to Landlord. Notwithstanding the foregoing, if at any time Landlord reasonably believes that Landlord's Possession will not occur on or before the Outside Date, Landlord shall have the right to notify Tenant in writing of such fact and of a new Outside Date on or before which Landlord's Possession will occur (the "**New Outside Date**"), and Tenant must elect within 10 days of delivery of such notice to either terminate this Lease or waive its right to terminate this Lease (provided Landlord's Possession does occur on or prior to the New Outside Date established by Landlord in such notice to Tenant). Tenant's failure to elect to terminate this Lease within such 10 day period shall be deemed Tenant's waiver of its right to terminate this Lease as provided in this paragraph as to the original Outside Date, but not as to the New Outside Date established by said notice.

ARTICLE 4. RENT AND OPERATING EXPENSES

4.1 BASIC RENT. From and after the Commencement Date, Tenant shall pay to Landlord without deduction or offset a Basic Rent for the Premises in the total amount shown (including subsequent adjustments, if any) in Item 6 of the Basic Lease Provisions (the "**Basic Rent**"). If the Commencement Date is other than the first day of a calendar month, any rental adjustment shown in Item 6 shall be deemed to occur on the first day of the next calendar month following the specified monthly anniversary of the Commencement Date. The Basic Rent shall be due and payable in advance commencing on the Commencement Date and continuing thereafter on the first day of each successive calendar month of the Term, as prorated for any partial month. No demand, notice or invoice shall be required.

4.2 OPERATING EXPENSES. Tenant shall pay Tenant's Share of Operating Expenses in accordance with **Exhibit B** of this Lease.

4.3 SECURITY DEPOSIT. Concurrently with Tenant's delivery of this Lease, Tenant shall deposit with Landlord the sum, if any, stated in Item 9 of the Basic Lease Provisions (the "**Security Deposit**"), to be held by Landlord as security for the full and faithful performance of Tenant's obligations under this Lease, to pay any rental sums, including without limitation such additional rent as may be owing under any provision hereof, and to maintain the Premises as required by Sections 7.1 and 15.2 or any other provision of this Lease. Upon any Default of the foregoing obligations by Tenant, Landlord may apply all or part of the Security Deposit as full or partial compensation. If any portion of the Security Deposit is so applied, Tenant shall within 5 days after written demand by Landlord deposit cash with Landlord in an amount sufficient to restore the Security Deposit to its original amount. Landlord shall not be required to keep the Security Deposit separate from its general funds, and Tenant shall not be entitled to interest on the Security Deposit. In no event may Tenant utilize all or any portion of the Security Deposit as a payment toward any rental sum due under this Lease. Any unapplied balance of the Security Deposit shall be returned to Tenant or, at Landlord's option, to the last assignee of Tenant's interest in this Lease within 30 days following the termination of this Lease and Tenant's vacation of the Premises. Tenant hereby waives the provisions of Section 1950.7 of the California Civil Code, or any similar or successor laws now or hereafter in effect, in connection with Landlord's application of the Security Deposit to prospective rent that would have been payable by Tenant but for the early termination due to Tenant's Default (as defined herein).

4.4 LETTER OF CREDIT. Landlord agrees that in lieu of a cash Security Deposit, Tenant may deliver to Landlord, concurrently with Tenant's execution of this Lease, a letter of credit in the amount stated in Item 9 of the Basic Lease Provisions, which letter of credit shall be in form and with the substance of **Exhibit G** attached hereto. The letter of credit shall be issued by a financial institution reasonably acceptable to Landlord with a branch in Orange County, California, at which draws on the letter of credit will be accepted, or which accepts draws by facsimile or correspondence presentation. The letter of credit shall provide for automatic yearly renewals throughout the Term of this Lease and shall have an outside expiration date that is not earlier than 30 days after the expiration of the Lease Term. In the event the letter of credit is not continuously renewed through the period set forth above, or upon any breach under this Lease by Tenant, including specifically Tenant's failure to pay Rent or to abide by its obligations under Sections 7.1 and 15.2 below, Landlord shall be entitled to draw upon said letter of credit by the issuance of Landlord's sole written demand to the issuing financial institution. Any such draw shall be without waiver of any rights Landlord may have under this Lease or at law or in equity as a result of any Default hereunder by Tenant.

4.5 SECURITY REDUCTIONS. Upon written request of Tenant, Landlord shall authorize reductions to the required Security Deposit or Letter of Credit amounts in the amounts of (i) $168,960.00 at any time following the 30th full calendar month of the Term (the "**First Reduction**"), and (ii) $97,526.00 at any time following the 48th full calendar month of the Term (the "**Second Reduction**"); provided that such reductions shall be conditioned upon (a) no Default having occurred under this Lease at any time, (b) Tenant not having been more than 5 days late with respect to any payments of Basic Rent and Operating Expenses due under this Lease more than once during the immediately prior 12-month period, (c) with respect to the First Reduction, Tenant's demonstrating by evidence reasonably satisfactory to Landlord that Tenant has achieved positive net income over the immediately preceding 12-month period, and (d) with respect to the Second Reduction, Tenant's demonstrating by evidence reasonably satisfactory to Landlord that Tenant has achieved positive net income over the immediately preceding 18-month period. Any reductions in the cash Security Deposit shall be in the form of credits against Basic Rent and Operating Expenses first coming due at least 30 days after Landlord's receipt of Tenant's written request. A reduction to the Letter of Credit may be in the form of an amendment to the Letter of Credit.

ARTICLE 5. USES

5.1 USE. Tenant shall use the Premises only for the purposes stated in Item 3 of the Basic Lease Provisions and for no other use whatsoever. The uses prohibited under this Lease shall include, without limitation, use of the Premises or a portion thereof for (i) offices of any agency or bureau of the United States or any state or political subdivision thereof; (ii) offices or agencies of any foreign governmental or political subdivision thereof; or (iii) schools, temporary employment agencies or other training facilities which are not ancillary to corporate, executive or professional office use. Tenant shall not do or permit anything to be done in or about the Premises which will in any way interfere with the rights or quiet enjoyment of other occupants of the Building or the Project, or use or allow the Premises to be used for any unlawful purpose, nor shall Tenant permit any nuisance or commit any waste in the Premises or the Project. Tenant shall not perform any work or conduct any business whatsoever in the Project other than inside the Premises. Tenant shall comply at its expense with all present and future laws, ordinances and requirements of all governmental authorities that pertain to Tenant or its use of the Premises, and with all energy usage reporting requirements of Landlord. Pursuant to California Civil Code § 1938, Landlord hereby states that the Premises have not undergone inspection by a Certified Access Specialist (CASp) (defined in California Civil Code § 55.52(a)(3)). Pursuant to Section 1938 of the California Civil Code, Landlord hereby provides the following notification to Tenant: "A Certified Access Specialist (CASp) can inspect the subject premises and determine whether the subject premises comply with all of the applicable construction-related accessibility standards under state law. Although state law does not require a CASp inspection of the subject premises, the commercial property owner or lessor may not prohibit the lessee or tenant from obtaining a CASp inspection of the subject premises for the occupancy or potential occupancy of the lessee or tenant, if requested by the lessee or tenant. The parties shall mutually agree on the arrangements for the time and manner of the CASp inspection, the payment of the fee for the CASp inspection, and the cost of making any repairs necessary to correct violations of construction related accessibility standards within the premises." If Tenant requests to perform a CASp inspection of the Premises. Tenant shall, at its cost, retain a CASp reasonably approved by Landlord (provided that Landlord may reasonably designate the CASp, at Landlord's option) to perform the inspection of the Premises at a time agreed upon by the parties. Tenant shall provide Landlord with a copy of any report or certificate issued by the CASp (the "**CASp Report**") and Tenant shall, at its cost, promptly complete any modifications necessary to correct violations of construction related accessibility standards identified in the CASp Report obtained by Tenant, notwithstanding anything to the contrary in this Lease. Tenant agrees to keep the information in the CASp Report confidential except as necessary for the Tenant to complete such modifications.

5.2 SIGNS. Provided Tenant continues to occupy at least 70% of the Floor Area of the Premises (as the same may exist from time to time), Tenant shall have the non-exclusive right to one (1) exterior "building top" sign on the Building for Tenant's name and graphics in a mutually agreeable location designated by Landlord, subject to Landlord's right of prior approval that such exterior signage is in compliance with the Signage Criteria (defined below). Except as provided in the foregoing and except for Landlord's standard suite signage identifying Tenant's name and/or logo, Tenant shall have no right to maintain signs in any location in, on or about the Premises, the Building or the Project and shall not place or erect any signs that are visible from the exterior of the Building. The size, design, graphics, material, style, color and other physical aspects of any permitted sign shall be subject to Landlord's written determination, as reasonably determined by Landlord, prior to installation, that signage is in compliance with any covenants, conditions or restrictions encumbering the Premises and Landlord's signage program for the Project, as in effect from time to time and approved by the City in which the Premises are located ("**Signage Criteria**"). Prior to placing or erecting any such signs, Tenant shall obtain and deliver to Landlord a copy of any applicable municipal or other governmental permits and approvals, except to Landlord's standard suite signage. Tenant shall be responsible for all costs of any permitted sign, including, without limitation, the fabrication, installation, maintenance and removal thereof and the cost of any permits therefor, except that Landlord shall pay for the initial installation costs only of the standard suite signage. If Tenant fails to maintain its sign in good condition, or if Tenant fails to remove same upon termination of this Lease and repair and restore any damage caused by the sign or its removal, Landlord may do so at Tenant's expense. Landlord shall have the right to temporarily remove any signs in connection with any repairs or maintenance in or upon the Building, provided that Landlord re-installs such signs at its sole cost and expense as soon as reasonably practicable. The term "**sign**" as used in this Section shall include all signs, designs, monuments, displays, advertising materials, logos, banners, projected images, pennants, decals, pictures, notices, lettering, numerals or graphics. Tenant's exterior signage rights under this Section 5.2 belong solely to Inari Medical, Inc., a Delaware corporation, and any attempted assignment or transfer of such rights shall be void and of no force and effect. Notwithstanding the foregoing, but subject to the provisions for an "**Objectionable Name**" as hereinafter provided, the parties agree that Tenant's signage rights shall be assignable to any transferee pursuant to a Permitted Transfer of this Lease. Tenant's signage shall not have a name which relates to an entity which is of a character or reputation, or is associated with a political faction or orientation, which is inconsistent with the quality of the Project, or which would otherwise reasonably offend a landlord of comparable institutionally owned office building located near the Building (an "**Objectionable Name**").

5.3 HAZARDOUS MATERIALS.

(a) For purposes of this Lease, the term "**Hazardous Materials**" means (i) any "hazardous material" as defined in Section 25501(n) of the California Health and Safety Code, (ii) hydrocarbons, polychlorinated biphenyls or asbestos, (iii) any toxic or hazardous materials, substances, wastes or materials as defined pursuant to any other applicable state, federal or local law or regulation, and (iv) any other substance or matter which may result in liability to any person or entity as a result of such person's possession, use, storage, release or distribution of such substance or matter under any statutory or common law theory.

(b) Tenant shall not cause or permit any Hazardous Materials to be brought upon, stored, used, generated, released or disposed of on, under, from or about the Premises (including without limitation the soil and groundwater thereunder) without the prior written consent of Landlord, which consent may be given or withheld in Landlord's sole and absolute discretion. Notwithstanding the foregoing, Tenant shall have the right, without obtaining prior written consent

of Landlord, to utilize within the Premises collectively, the "**Permitted Hazmats**"): (i) a reasonable quantity of standard office and cleaning products that may contain Hazardous Materials (such as photocopy toner, "**White Out**", and the like), provided however, that Tenant shall maintain such products in their original retail packaging, shall follow all instructions on such packaging with respect to the storage, use and disposal of such products; and (ii) those Hazardous Materials in kind and content listed on the Survey Form delivered to Landlord prior to the execution of this Lease. Tenant shall comply with all applicable laws with respect to the Permitted Hazmats, and all of the other terms and provisions of this Section 5.3 shall apply with respect to Tenant's storage, use and disposal of all Permitted Hazmats. Landlord may, in its sole and absolute discretion, place such conditions as Landlord deems appropriate with respect to Tenant's use, storage and/or disposal of any Hazardous Materials requiring Landlord's consent. Tenant understands that Landlord may utilize an environmental consultant to assist in determining conditions of approval in connection with the storage, use, release, and/or disposal of Hazardous Materials by Tenant on or about the Premises, and/or to conduct periodic inspections of the storage, generation, use, release and/or disposal of such Hazardous Materials by Tenant on and from the Premises, and Tenant agrees that any costs incurred by Landlord in connection therewith shall be reimbursed by Tenant to Landlord as additional rent hereunder upon demand.

(c) Prior to the execution of this Lease, Tenant shall complete, execute and deliver to Landlord a Hazardous Material Survey Form (the "**Survey Form**") in the form of **Exhibit J** attached hereto. The completed Survey Form shall be deemed incorporated into this Lease for all purposes, and Landlord shall be entitled to rely fully on the information contained therein. On each anniversary of the Commencement Date until the expiration or sooner termination of this Lease, Tenant shall disclose to Landlord in writing the names and amounts of all Hazardous Materials which were stored, generated, used, released and/or disposed of on, under or about the Premises for the twelve-month period prior thereto, and which Tenant desires to store, generate, use, release and/or dispose of on, under or about the Premises for the succeeding twelve-month period. In addition, to the extent Tenant is permitted to utilize Hazardous Materials upon the Premises, Tenant shall promptly provide Landlord with complete and legible copies of all the following environmental documents relating thereto: reports filed pursuant to any self-reporting requirements; permit applications, permits, monitoring reports, emergency response or action plans, workplace exposure and community exposure warnings or notices and all other reports, disclosures, plans or documents (even those which may be characterized as confidential) relating to water discharges, air pollution, waste generation or disposal, and underground storage tanks for Hazardous Materials; orders, reports, notices, listings and correspondence (even those which may be considered confidential) of or concerning the release, investigation, compliance, cleanup, remedial and corrective actions, and abatement of Hazardous Materials; and all complaints, pleadings and other legal documents filed by or against Tenant related to Tenant's storage, generation, use, release and/or disposal of Hazardous Materials.

(d) Landlord and its agents shall have the right, but not the obligation, to inspect, sample and/or monitor the Premises and/or the soil or groundwater thereunder at any time to determine whether Tenant is complying with the terms of this Section 5.3, and in connection therewith Tenant shall provide Landlord with full access to all facilities, records and personnel related thereto. If Tenant is not in compliance with any of the provisions of this Section 5.3, or in the event of a release of any Hazardous Material on, under, from or about the Premises caused or permitted by Tenant, its agents, employees, contractors, licensees, subtenants or invitees, Landlord

and its agents shall have the right, but not the obligation, without limitation upon any of Landlord's other rights and remedies under this Lease, to immediately enter upon the Premises without notice and to discharge Tenant's obligations under this Section 5.3 at Tenant's expense, including without limitation the taking of emergency or long-term remedial action. Landlord and its agents shall endeavor to minimize interference with Tenant's business in connection therewith, but shall not be liable for any such interference. In addition, Landlord, at Tenant's expense, shall have the right, but not the obligation, to join and participate in any legal proceedings or actions initiated in connection with any claims arising out of the storage, generation, use, release and/or disposal by Tenant or its agents, employees, contractors, licensees, subtenants or invitees of Hazardous Materials on, under, from or about the Premises.

(e) If the presence of any Hazardous Materials on, under, from or about the Premises or the Project caused or permitted by Tenant or its agents, employees, contractors, licensees; subtenants or invitees results in (i) injury to any person, (ii) injury to or any contamination of the Premises or the Project, or (iii) injury to or contamination of any real or personal property wherever situated, Tenant, at its expense, shall promptly take all actions necessary to return the Premises and the Project and any other affected real or personal property owned by Landlord to the condition existing prior to the introduction of such Hazardous Materials and to remedy or repair any such injury or contamination, including without limitation, any cleanup, remediation, removal, disposal, neutralization or other treatment of any such Hazardous Materials. Notwithstanding the foregoing, Tenant shall not, without Landlord's prior written consent, which consent may be given or withheld in Landlord's sole and absolute discretion, take any remedial action in response to the presence of any Hazardous Materials on, under, from or about the Premises or the Project or any other affected real or personal property owned by Landlord or enter into any similar agreement, consent, decree or other compromise with any governmental agency with respect to any Hazardous Materials claims; provided however, Landlord's prior written consent shall not be necessary in the event that the presence of Hazardous Materials on, under, from or about the Premises or the Project or any other affected real or personal property owned by Landlord (i) imposes an immediate threat to the health, safety or welfare of any individual and (ii) is of such a nature that an immediate remedial response is necessary and it is not possible to obtain Landlord's consent before taking such action. To the fullest extent permitted by law, Tenant shall indemnify, hold harmless, protect and defend (with attorneys reasonably acceptable to Landlord) Landlord and any successors to all or any portion of Landlord's interest in the Premises and the Project and any other real or personal property owned by Landlord from and against any and all liabilities, losses, damages, diminution in value, judgments, fines, demands, claims, recoveries, deficiencies, costs and expenses (including without limitation attorneys' fees, court costs and other professional expenses), whether foreseeable or unforeseeable, arising directly or indirectly out of the use, generation, storage, treatment, release, on- or off-site disposal or transportation of Hazardous Materials on, into, from, under or about the Premises, the Building or the Project and any other real or personal property owned by Landlord caused or permitted by Tenant, its agents, employees, contractors, licensees, subtenants or invitees. Such indemnity obligation shall specifically include, without limitation, the cost of any required or necessary repair, restoration, cleanup or detoxification of the Premises, the Building and the Project and any other real or personal property owned by Landlord, the preparation of any closure or other required plans, whether such action is required or necessary during the Term or after the expiration of this Lease and any loss of rental due to the inability to lease the Premises or any portion of the Building or Project as a result of such Hazardous Materials, the remediation thereof or any repair, restoration or cleanup related thereto. If it is at any time

discovered that Tenant or its agents, employees, contractors, licensees, subtenants or invitees may have caused or permitted the release of any Hazardous Materials on, under, from or about the Premises, the Building or the Project or any other real or personal property owned by Landlord, Tenant shall, at Landlord's request, immediately prepare and submit to Landlord a comprehensive plan, subject to Landlord's approval, specifying the actions to be taken by Tenant to return the Premises, the Building or the Project or any other real or personal property owned by Landlord to the condition existing prior to the introduction of such Hazardous Materials. Upon Landlord's approval of such plan, Tenant shall, at its expense, and without limitation of any rights and remedies of Landlord under this Lease or at law or in equity, immediately implement such plan and proceed to cleanup, remediate and/or remove all such Hazardous Materials in accordance with all applicable laws and as required by such plan and this Lease. The provisions of this Section 5.3(e) shall expressly survive the expiration or sooner termination of this Lease.

(f) Landlord hereby discloses to Tenant, and Tenant hereby acknowledges, certain facts relating to Hazardous Materials at the Project known by Landlord to exist as of the date of this Lease, as more particularly described in **Exhibit H** attached hereto. Tenant shall have no liability or responsibility with respect to the Hazardous Materials facts described in **Exhibit H**, nor with respect to any Hazardous Materials which Tenant proves were not caused or permitted by Tenant, its agents, employees, contractors, licensees, subtenants or invitees. Notwithstanding the preceding two sentences, Tenant agrees to notify its agents, employees, contractors, licensees, subtenants, and invitees of any exposure or potential exposure to Hazardous Materials at the Premises that Landlord brings to Tenant; s attention. Tenant hereby acknowledges that this disclosure satisfies any obligation of Landlord to Tenant pursuant to California Health & Safety Code Section 25359.7, or any amendment or substitute thereto or any other disclosure obligations of Landlord.

ARTICLE 6. LANDLORD SERVICES

6.1 UTILITIES AND SERVICES. Landlord and Tenant shall be responsible to furnish those utilities and services to the Premises to the extent provided in **Exhibit C**, subject to the conditions and standards set forth in this Lease. Landlord shall not be liable for any failure to furnish any services or utilities when the failure is the result of any accident or other cause beyond Landlord's reasonable control, nor shall Landlord be liable for damages resulting from power surges or any breakdown in telecommunications facilities or services. Landlord's temporary inability to furnish any services or utilities shall not entitle Tenant to any damages, relieve Tenant of the obligation to pay rent or constitute a constructive or other eviction of Tenant, except that Landlord shall diligently attempt to restore the service or utility promptly. However, if the Premises, or a material portion of the Premises, are made untenantable for a period in excess of 3 consecutive business days as a result of a service interruption that is reasonably within the control of Landlord to correct and through no fault of Tenant and for reasons other than as contemplated in Article 11, then Tenant, as its sole remedy, shall be entitled to receive an abatement of Rent payable hereunder during the period beginning on the 4th consecutive business day of the service interruption and ending on the day the service has been restored. Tenant shall comply with all rules and regulations which Landlord may reasonably establish for the provision of services and utilities, and shall cooperate with all reasonable conservation practices established by Landlord. Landlord shall at all reasonable times, upon reasonable advanced notice and during normal business hours (except in the case of emergency when no advanced notice shall be required), have free access to all electrical and mechanical installations of Landlord.

6.2 OPERATION AND MAINTENANCE OF COMMON AREAS. During the Term, Landlord shall operate and maintain all Common Areas within the Building and the Project in good condition and repair. The term "**Common Areas**" shall mean all areas within the Building and other buildings in the Project which are not held for exclusive use by persons entitled to occupy space, including without limitation parking areas and structures, driveways, sidewalks, landscaped and planted areas, hallways and interior stairwells not located within the premises of any tenant, common electrical rooms, entrances and lobbies, elevators, and restrooms not located within the premises of any tenant.

6.3 USE OF COMMON AREAS. The occupancy by Tenant of the Premises shall include the use of the Common Areas in common with Landlord and with all others for whose convenience and use the Common Areas may be provided by Landlord, subject, however, to compliance with Rules and Regulations described in Article 17 below. Landlord shall at all times during the Term have exclusive control of the Common Areas, and may restrain or permit any use or occupancy, except as otherwise provided in this Lease or in Landlord's rules and regulations. Tenant shall keep the Common Areas clear of any obstruction or unauthorized use related to Tenant's operations. Landlord may temporarily close any portion of the Common Areas for repairs, remodeling and/or alterations, to prevent a public dedication or the accrual of prescriptive rights, or for any other reasonable purpose. Landlord's temporary closure of any portion of the Common Areas for such purposes shall not deprive Tenant of reasonable access to the Premises.

6.4 CHANGES AND ADDITIONS BY LANDLORD. Landlord reserves the right to make alterations or additions to the Building or the Project or to the attendant fixtures, equipment and Common Areas, and such change shall not entitle Tenant to any abatement of rent or other claim against Landlord. No change by Landlord to the Common Areas shall: (i) materially impair access to and from the Premises from the parking areas, (ii) reduce the number of vehicle parking spaces to which Tenant is entitled under **Exhibit F** of this Lease, or (iii) otherwise unreasonably interfere with Tenant's access to and use of the Premises, the parking areas and the Common Areas adjacent to the Building in any material manner without Tenant's prior written consent, which shall not be unreasonably withheld.

ARTICLE 7. REPAIRS AND MAINTENANCE

7.1 TENANT'S MAINTENANCE AND REPAIR. Subject to Articles 11 and 12, Tenant at its sole expense shall make all repairs necessary to keep the Premises and all improvements and fixtures therein in good condition and repair, excepting ordinary wear and tear. Notwithstanding Section 7.2 below, Tenant's maintenance obligation shall include without limitation all appliances, interior glass, doors, door closures, hardware, fixtures, electrical, plumbing, fire extinguisher equipment and other equipment installed in the Premises and all Alterations constructed by Tenant pursuant to Section 7.3 below, together with any supplemental HVAC equipment servicing only the Premises. All repairs and other work performed by Tenant or its contractors shall be subject to the terms of Sections 7.3 and 7.4 below. Alternatively, should Landlord or its management agent agree to make a repair on behalf of Tenant and at Tenant's request, Tenant shall promptly reimburse Landlord as additional rent for all reasonable costs incurred (including the standard supervision fee) within 10 business days following submission of an invoice.

7.2 LANDLORD'S MAINTENANCE AND REPAIR. Subject to Articles 11 and 12, Landlord shall provide service, maintenance and repair with respect to the heating, ventilating and air conditioning ("**HVAC**") equipment of the Building (exclusive of any supplemental HVAC equipment servicing only the Premises) and shall maintain in good repair the Common Areas, roof (including roof membrane), foundations, footings, the exterior surfaces of the exterior walls of the Building (including exterior glass), and the structural, electrical, mechanical and plumbing systems of the Building (including elevators, if any, serving the Building), except to the extent provided in Section 7.1 above. Landlord need not make any other improvements or repairs except as specifically required under this Lease, and nothing contained in this Section 7.2 shall limit Landlord's right to reimbursement from Tenant for maintenance, repair costs and replacement costs as provided elsewhere in this Lease. Notwithstanding any provision of the California Civil Code or any similar or successor laws to the contrary, Tenant understands that it shall not make repairs at Landlord's expense or by rental offset. Except as provided in Section 11.1 and Article 12 below, there shall be no abatement of rent and no liability of Landlord by reason of any injury to or interference with Tenant's business arising from the making of any repairs, alterations or improvements to any portion of the Building, including repairs to the Premises, nor shall any related activity by Landlord constitute an actual or constructive eviction; provided, however, that in making repairs, alterations or improvements, Landlord shall interfere as little as reasonably practicable with the conduct of Tenant's business in the Premises. Tenant hereby waives any and all rights under and benefits of subsection 1 of Section 1932, and Sections 1941 and 1942 of the California Civil Code, or any similar or successor laws now or hereafter in effect.

7.3 ALTERATIONS. Except for cosmetic alterations and projects that do not exceed $50,000.00 during any calendar year of the Term, that do not require a permit from the City of Irvine and that satisfy the criteria in the next following sentence (which cosmetic work shall require notice to Landlord but not Landlord's consent), Tenant shall make no alterations, additions, decorations, or improvements (collectively referred to as "**Alterations**") to the Premises without the prior written consent of Landlord. For all Alterations that require the prior written consent of Landlord, Landlord's consent shall not be unreasonably withheld, conditioned or delayed as long as the proposed Alterations do not affect the structural, electrical or mechanical components or systems of the Building, are not visible from the exterior of the Premises, do not change the basic floor plan of the Premises, and utilize only Landlord's building standard materials ("**Standard Improvements**"). For all Alterations that require the prior written consent of Landlord, Landlord may impose, as a condition to its consent, any requirements that Landlord in its discretion may deem reasonable or desirable, provided that, for projects that do not exceed $100,000.00, Landlord shall not require Tenant to post a lien or completion bond. Should Tenant perform any Alterations work that would necessitate any ancillary Building modification or other expenditure by Landlord, then Tenant shall promptly fund the cost thereof to Landlord. Tenant shall obtain all required permits for the Alterations and shall perform the work in compliance with all applicable laws, regulations and ordinances with contractors reasonably acceptable to Landlord, and except for cosmetic Alterations not requiring a permit, Landlord shall be entitled to a supervision fee in the amount of 3% of the cost of the Alterations. Any request for Landlord's consent shall be made in writing and shall contain architectural plans describing the work in detail reasonably satisfactory to Landlord. Landlord may elect to cause its architect and/or engineers to review Tenant's

architectural, mechanical and electrical plans, and the reasonable cost of that review shall be reimbursed by Tenant Should the Alterations proposed by Tenant and consented to by Landlord change the floor plan of the Premises, then Tenant shall, at its expense, furnish Landlord with as-built drawings and CAD disks compatible with Landlord's systems. Alterations shall be constructed in a good and workmanlike manner using materials of a quality reasonably approved by Landlord Unless Landlord otherwise agrees in writing, all Alterations affixed to the Premises, including without limitation all Tenant Improvements constructed pursuant to the Work Letter (except as otherwise provided in the Work Letter), but excluding moveable trade fixtures, furniture, office/telephone equipment, computers and other personal property shall become the property of Landlord and shall be surrendered with the Premises at the end of the Term, except that Landlord may, by notice to Tenant given at least 45 days prior to the Expiration Date, require Tenant to remove by the Expiration Date, or sooner termination date of this Lease, all or any Alterations (including without limitation all telephone and data cabling) installed either by Tenant or by Landlord at Tenant's request (collectively, the "**Required Removables**"), and to replace any non-Standard Improvements made by Tenant with the applicable Standard Improvements. Tenant, at the time it requests approval for a proposed Alteration, may request in writing that Landlord advise Tenant whether the Alteration or any portion thereof, is a Required Removable and Landlord shall advise Tenant as to which Alteration or any portion thereof shall be deemed a Required Removable within 10 days after receipt of Tenant's request. If Landlord fails to respond to any request for consent within the 10 day period set forth in the preceding sentence, Tenant shall have the right to provide Landlord with a second request for consent. Tenant's second request for consent must specifically state that Landlord's failure to respond within a period of 5 days shall be deemed to be an approval by Landlord. In connection with its removal of Required Removables, Tenant shall repair any damage to the Premises arising from that removal and shall restore the affected area to its pre-existing condition, reasonable wear and tear excepted.

7.4 MECHANIC'S LIENS. Tenant shall keep the Premises free from any liens arising out of any work performed, materials furnished, or obligations incurred by or for Tenant. Within 30 days after the written request of Landlord, Tenant shall promptly cause any such lien to be released by posting a bond in accordance with California Civil Code Section 8424 or any successor statute. In the event that Tenant shall not, within 15 days following the imposition of any lien, cause the lien to be released of record by payment or posting of a proper bond, Landlord shall have, in addition to all other available remedies, the right to cause the lien to be released by any means it deems proper, including payment of or defense against the claim giving rise to the lien. All expenses so incurred by Landlord, including Landlord's reasonable attorneys' fees, shall be reimbursed by Tenant within 30 days following Landlord's demand, together with interest from the date of payment by Landlord at the maximum rate permitted by law until paid. Tenant shall give Landlord no less than 10 days' prior notice in writing before commencing construction of any kind on the Premises.

7.5 ENTRY AND INSPECTION. Landlord shall at all reasonable times have the right to enter the Premises to inspect them, to supply services in accordance with this Lease, to make repairs and renovations as reasonably deemed necessary by Landlord, and to submit the Premises to prospective or actual purchasers or encumbrance holders (or, during the final twelve months of the Term or when an uncured Default exists, to prospective tenants), all without being deemed to have caused an eviction of Tenant and without abatement of rent except as provided elsewhere in this Lease. If reasonably necessary, Landlord may temporarily close all or a portion of the

Premises (other than the clean room and lab except with Tenant's consent or in the event of an emergency posing a serious, imminent threat of property damage or bodily injury) to perform repairs, alterations and additions permitted or required to be made by Landlord hereunder. Except in emergencies or to provide Building services. Landlord shall provide Tenant with reasonable (and in any event at least 24 hours) advance written or verbal notice of entry and shall use reasonable efforts to minimize any interference with Tenant's use of the Premises. Except as specifically provided otherwise in this Section, entry by Landlord shall not constitute a constructive eviction or entitle Tenant to an abatement or reduction of Rent. If Landlord temporarily closes the Premises as provided above for a period in excess of 5 consecutive day(s), Tenant, as its sole remedy, shall be entitled to receive a per diem abatement of Basic Rent during the period beginning on the 6th consecutive day of closure and ending on the date on which the Premises are returned to Tenant in a tenantable condition. Tenant, however, shall not be entitled to an abatement if the repairs, alterations and/or additions to be performed are required as a result of the negligence or willful misconduct of Tenant, its agents, employees or contractors or a Default by Tenant in its maintenance and repair obligations under the Lease.

ARTICLE 8. [INTENTIONALLY OMITTED]

ARTICLE 9. ASSIGNMENT AND SUBLETTING

9.1 RIGHTS OF PARTIES.

(a) Except as otherwise specifically provided in this Article 9, Tenant may not, either voluntarily or by operation of law, assign, sublet, encumber, or otherwise transfer all or any part of Tenant's interest in this Lease, or permit the Premises to be occupied by anyone other than Tenant (each, a "**Transfer**"), without Landlord's prior written consent, which consent shall not unreasonably be withheld in accordance with the provisions of Section 9.1(b). For purposes of this Lease, references to any subletting, sublease or variation thereof shall be deemed to apply not only to a sublease effected directly by Tenant, but also to a sub-subletting or an assignment of subtenancy by a subtenant at any level. Except as otherwise specifically provided in this Article 9, no Transfer (whether voluntary, involuntary or by operation of law) shall be valid or effective without Landlord's prior written consent and, at Landlord's election, such a Transfer shall constitute a material default of this Lease.

(b) Except as otherwise specifically provided in this Article 9, if Tenant or any subtenant hereunder desires to transfer an interest in this Lease, Tenant shall first notify Landlord in writing and shall request Landlord's consent thereto. Tenant shall also submit to Landlord in writing: (i) the name and address of the proposed transferee; (ii) the nature of any proposed subtenant's or assignee's business to be carried on in the Premises; (iii) the terms and provisions of any proposed sublease or assignment (including without limitation the rent and other economic provisions, term, improvement obligations and commencement date); (iv) evidence that the proposed assignee or subtenant will comply with the requirements of **Exhibit D** to this Lease; and (v) any other information requested by Landlord and reasonably related to the Transfer. Landlord shall not unreasonably withhold its consent, provided: (1) the use of the Premises will be consistent with the provisions of this Lease and with Landlord's commitment to other tenants of the Building and Project; (2) any proposed subtenant or assignee demonstrates that it is financially responsible by submission to Landlord of all reasonable information as Landlord may request

concerning the proposed subtenant or assignee, including, but not limited to, a balance sheet of the proposed subtenant or assignee as of a date within 90 days of the request for Landlord's consent and statements of income or profit and loss of the proposed subtenant or assignee for the two-year period preceding the request for Landlord's consent; (3) the proposed assignee or subtenant is neither an existing tenant or occupant of the Building or Project nor a prospective tenant with whom Landlord or Landlord's affiliate has been actively negotiating to become a tenant at the Building or Project within the prior 6 months, except that Landlord will not enforce this restriction if it does not have sufficient available space in the Project to accommodate the proposed transferee; and (4) the proposed transferee is not an SDN (as defined below) and will not impose additional burdens or security risks on Landlord. If Landlord consents to the proposed Transfer, then the Transfer may be effected within 120 days after the date of the consent upon the terms described in the information furnished to Landlord; provided that any material change in the terms shall be subject to Landlord's consent as set forth in this Section 9.1(b). Landlord shall approve or disapprove any requested Transfer within 20 days following receipt of Tenant's written notice and the information set forth above. Except in connection with a Permitted Transfer (as defined below), if Landlord approves the Transfer Tenant shall pay a transfer fee of $1,000.00 to Landlord concurrently with Tenant's execution of a Transfer consent prepared by Landlord.

(c) Notwithstanding the provisions of Subsection (b) above, and except in connection with a "**Permitted Transfer**" (as defined below), in lieu of consenting to a proposed assignment or subletting for all or substantially all of the remaining Term, Landlord may, within 20 days of Tenant's consent request, elect to terminate this Lease in its entirety in the event of an assignment, or terminate this Lease as to the portion of the Premises proposed to be subleased with a proportionate abatement in the rent payable under this Lease, such termination to be effective on the date that the proposed sublease or assignment would have commenced. Landlord may thereafter, at its option, assign or re-let any space so recaptured to any third party, including without limitation the proposed transferee identified by Tenant.

(d) Should any Transfer occur, Tenant shall, except in connection with a Permitted Transfer, promptly pay or cause to be paid to Landlord, as additional rent, 50% of any amounts paid by the assignee or subtenant, however described and whether funded during or after the Lease Term, to the extent such amounts are in excess of the sum of (i) the scheduled Rent payable by Tenant hereunder (or, in the event of a subletting of only a portion of the Premises, the Rent allocable to such portion as reasonably determined by Landlord) and (ii) the direct out-of-pocket costs, as evidenced by third party invoices provided to Landlord, incurred by Tenant to effect the Transfer, which costs shall be amortized over the remaining Term of this Lease or, if shorter, over the term of the sublease.

(e) The sale of all or substantially all of the assets of Tenant (other than bulk sales in the ordinary course of business), the merger or consolidation of Tenant, the sale of Tenant's capital stock, or any other direct or indirect change of control of Tenant, including, without limitation, change of control of Tenant's parent company or a merger by Tenant or its parent company, shall be deemed a Transfer within the meaning and provisions of this Article. Notwithstanding the foregoing, Tenant may effect a change in control, assign this Lease to a successor to Tenant by merger, consolidation or the purchase of all or substantially all of Tenant's assets or equity interests, or assign this Lease or sublet all or a portion of the Premises to an Affiliate (defined below), without the consent of Landlord but subject to the provisions of Section 9.2, provided that

all of the following conditions are satisfied (a "**Permitted Transfer**", and such transferee a "**Permitted Transferee**"): (i) Tenant is not then in Default hereunder; (ii) Tenant gives Landlord written notice at least 10 business days before such Permitted Transfer, however, if prohibited by confidentiality, then Tenant shall give Landlord written notice within 10 days after the effective date of the transfer; and (iii) the successor entity resulting from any merger or consolidation of Tenant or the sale of all or substantially all of the assets of Tenant, has a net worth (computed in accordance with generally accepted accounting principles, except that intangible assets such as goodwill, patents, copyrights, and trademarks shall be excluded in the calculation ("**Net Worth**")) at the time of the Permitted Transfer that is at least equal to the Net Worth of Tenant immediately before the Permitted Transfer. Tenant's notice to Landlord shall include reasonable information and documentation evidencing the Permitted Transfer and showing that each of the above conditions has been satisfied. If requested by Landlord, Tenant's successor shall sign and deliver to Landlord a commercially reasonable form of assumption agreement. "**Affiliate**" shall mean an entity controlled by, controlling or under common control with Tenant.

9.2 EFFECT OF TRANSFER. No subletting or assignment, even with the consent of Landlord, shall relieve Tenant, or any successor-in-interest to Tenant hereunder, of its obligation to pay rent and to perform all its other obligations under this Lease. Each assignee, other than Landlord, shall be deemed to assume all obligations of Tenant under this Lease and shall be liable jointly and severally with Tenant for the payment of all rent, and for the due performance of all of Tenant's obligations, under this Lease. Such joint and several liability shall not be discharged or impaired by any subsequent modification or extension of this Lease. Consent by Landlord to one or more transfers shall not operate as a waiver or estoppel to the future enforcement by Landlord of its rights under this Lease.

9.3 SUBLEASE REQUIREMENTS. Any sublease, license, concession or other occupancy agreement entered into by Tenant shall be subordinate and subject to the provisions of this Lease, and if this Lease is terminated during the term of any such agreement, Landlord shall have the right to: (i) treat such agreement as cancelled and repossess the subject space by any lawful means, or (ii) require that such transferee attorn to and recognize Landlord as its landlord (or licensor, as applicable) under such agreement. Landlord shall not, by reason of such attornment or the collection of sublease rentals, be deemed liable to the subtenant for the performance of any of Tenant's obligations under the sublease. If Tenant is in Default (hereinafter defined), Landlord is irrevocably authorized to direct any transferee under any such agreement to make all payments under such agreement directly to Landlord (which Landlord shall apply towards Tenant's obligations under this Lease) until such Default is cured. No collection or acceptance of rent by Landlord from any transferee shall be deemed a waiver of any provision of Article 9 of this Lease, an approval of any transferee, or a release of Tenant from any obligation under this Lease, whenever accruing. In no event shall Landlord's enforcement of any provision of this Lease against any transferee be deemed a waiver of Landlord's right to enforce any term of this Lease against Tenant or any other person.

ARTICLE 10. INSURANCE AND INDEMNITY

10.1 TENANT'S INSURANCE. Tenant, at its sole cost and expense, shall provide and maintain in effect the insurance described in **Exhibit D**. Evidence of that insurance must be delivered to Landlord prior to the Commencement Date.

10.2 LANDLORD'S INSURANCE. Landlord shall provide the following types of insurance, with or without deductible and in amounts and coverages as may be determined by Landlord in its discretion: property insurance, subject to standard exclusions (such as, but not limited to, earthquake and flood exclusions), covering the Building or Project. In addition, Landlord may, at its election, obtain insurance coverages for such other risks as Landlord or its Mortgagees may from time to time deem appropriate, including earthquake, terrorism and commercial general liability coverage. Landlord shall not be required to carry insurance of any kind on any tenant improvements or Alterations in the Premises installed by Tenant or its contractors or otherwise removable by Tenant (collectively, "**Tenant Installations**"), or on any trade fixtures, furnishings, equipment, interior plate glass, signs or items of personal property in the Premises, and Landlord shall not be obligated to repair or replace any of the foregoing items should damage occur. All proceeds of insurance maintained by Landlord upon the Building and Project shall be the property of Landlord, whether or not Landlord is obligated to or elects to make any repairs.

10.3 TENANT'S INDEMNITY. To the fullest extent permitted by law, but subject to Section 10.5 below, Tenant shall defend, indemnify and hold harmless Landlord and Landlord's agents, employees, lenders, and affiliates, from and against any and all negligence, claims, liabilities, damages, costs or expenses arising either before or after the Commencement Date which arise from or are caused by Tenant's use or occupancy of the Premises, the Building or the Common Areas of the Project, or from the conduct of Tenant's business, or from any activity, work, or thing done, permitted or suffered by Tenant or Tenant's agents, employees, subtenants, vendors, contractors, invitees or licensees in or about the Premises, the Building or the Common Areas of the Project, or from any Default in the performance of any obligation on Tenant's part to be performed under this Lease, or from any act, omission or negligence on the part of Tenant or Tenant's agents, employees, subtenants, vendors, contractors, invitees or licensees. Landlord may, at its option, require Tenant to assume Landlord's defense in any action covered by this Section 10.3 through counsel reasonably satisfactory to Landlord. Notwithstanding the foregoing, Tenant shall not be obligated to indemnify Landlord against any liability or expense to the extent it is ultimately determined that the same was caused by the sole negligence or willful misconduct of Landlord, its agents, contractors or employees.

10.4 LANDLORD'S NONLIABILITY. Landlord shall not be liable to Tenant, its employees, agents and invitees, and Tenant hereby waives all claims against Landlord, its employees and agents for loss of or damage to any property, or any injury to any person, resulting from any condition including, but not limited to, acts or omissions (criminal or otherwise) of third parties and/or other tenants of the Project, or their agents, employees or invitees, fire, explosion, falling plaster, steam, gas, electricity, water or rain which may leak or flow from or into any part of the Premises or from the breakage, leakage, obstruction or other defects of the pipes, sprinklers, wires, appliances, plumbing, air conditioning, electrical works or other fixtures in the Building, whether the damage or injury results from conditions arising in the Premises or in other portions of the Building, regardless of the negligence of Landlord, its agents or any and all affiliates of Landlord in connection with the foregoing. It is understood that any such condition may require the temporary evacuation or closure of all or a portion of the Building. Should Tenant elect to receive any service from a concessionaire, licensee or third party tenant of Landlord, Tenant shall not seek recourse against Landlord for any breach or liability of that service provider. Notwithstanding anything to the contrary contained in this Lease, in no event shall Landlord be liable for Tenant's loss or interruption of business or income (including without limitation, Tenant's consequential damages, lost profits or opportunity costs), or for interference with light or other similar intangible interests.

10.5 WAIVER OF SUBROGATION. Landlord and Tenant each hereby waives all rights of recovery against the other on account of loss and damage occasioned to the property of such waiving party to the extent that the waiving party is entitled to proceeds for such loss and damage under any property insurance policies carried or otherwise required to be carried by this Lease; provided however, that the foregoing waiver shall not apply to the extent of Tenant's obligation to pay deductibles under any such policies and this Lease. By this waiver it is the intent of the parties that neither Landlord nor Tenant shall be liable to any insurance company (by way of subrogation or otherwise) insuring the other party for any loss or damage insured against under any property insurance policies, even though such loss or damage might be occasioned by the negligence of such party, its agents, employees, contractors or invitees. The foregoing waiver by Tenant shall also inure to the benefit of Landlord's management agent for the Building.

ARTICLE 11. DAMAGE OR DESTRUCTION

11.1 RESTORATION.

(a) If the Building of which the Premises are a part is damaged as the result of an event of casualty, then subject to the provisions below, Landlord shall repair that damage as soon as reasonably possible unless Landlord reasonably determines that: (i) the Premises have been materially damaged and there is less than 1 year of the Term remaining on the date of the casualty; (ii) any Mortgagee (defined in Section 13.1) requires that the insurance proceeds be applied to the payment of the mortgage debt; or (iii) proceeds necessary to pay the full cost of the repair are not available from Landlord's insurance (exclusive of deductibles), including without limitation earthquake insurance. Should Landlord elect not to repair the damage for one of the preceding reasons, Landlord shall so notify Tenant in the "**Casualty Notice**" (as defined below), and this Lease shall terminate as of the date of delivery of that notice.

(b) As soon as reasonably practicable following the casualty event but not later than 60 days thereafter, Landlord shall notify Tenant in writing ("**Casualty Notice**") of Landlord's election, if applicable, to terminate this Lease. If this Lease is not so terminated, the Casualty Notice shall set forth the anticipated period for repairing the casualty damage. If the anticipated repair period exceeds 270 days and if the damage is so extensive as to reasonably prevent Tenant's substantial use and enjoyment of the Premises, then either party may elect to terminate this Lease by written notice to the other within 10 days following delivery of the Casualty Notice. In addition, if (i) the Premises have been materially damaged and there is less than 1 year of the Term remaining at the date of casualty, and (ii) the material damage is so extensive as to reasonably prevent Tenant's substantial use and enjoyment of the Premises, then Tenant may elect to terminate this Lease by written notice to Landlord within 15 days following the date of the casualty.

(c) In the event that neither Landlord nor Tenant terminates this Lease pursuant to Section 11.1(b), Landlord shall repair all material damage to the Premises or the Building as soon as reasonably possible and this Lease shall continue in effect for the remainder of the Term. Upon notice from Landlord, Tenant shall assign or endorse over to Landlord (or to any party designated

by Landlord) all property insurance proceeds payable to Tenant under Tenant's insurance with respect to any Tenant Installations; provided if the estimated cost to repair such Tenant Installations exceeds the amount of insurance proceeds received by Landlord from Tenant's insurance carrier, the excess cost of such repairs shall be paid by Tenant to Landlord prior to Landlord's commencement of repairs. Within 15 days of demand, Tenant shall also pay Landlord for any additional excess costs that are determined during the performance of the repairs to such Tenant Installations.

(d) From and after the date of the casualty event, the rental to be paid under this Lease shall be abated in the same proportion that the Floor Area of the Premises that is rendered unusable by the damage from time to time bears to the total Floor Area of the Premises.

(e) Notwithstanding the provisions of subsections (a), (b) and (c) of this Section 11.1, but subject to Section 10.5, Tenant shall not be entitled to termination rights if the damage is due to the gross negligence or willful misconduct of Tenant or its employees, subtenants, contractors, invitees or representatives. In addition, the provisions of this Section 11.1 shall not be deemed to require Landlord to repair any Tenant Installations, fixtures and other items that Tenant is obligated to insure pursuant to **Exhibit D** or under any other provision of this Lease.

11.2 LEASE GOVERNS. Tenant agrees that the provisions of this Lease, including without limitation Section 11.1, shall govern any damage or destruction and shall accordingly supersede any contrary statute or rule of law.

ARTICLE 12. EMINENT DOMAIN

Either party may terminate this Lease if any material part of the Premises is taken or condemned for any public or quasi-public use under Law, by eminent domain or private purchase in lieu thereof (a "**Taking**"). Landlord shall also have the right to terminate this Lease if there is a Taking of any portion of the Building or Project which would have a material adverse effect on Landlord's ability to profitably operate the remainder of the Building. The termination shall be effective as of the effective date of any order granting possession to, or vesting legal title in, the condemning authority. If this Lease is not terminated, Basic Rent and Tenant's Share of Operating Expenses shall be appropriately adjusted to account for any reduction in the square footage of the Building or Premises. All compensation awarded for a Taking shall be the property of Landlord and the right to receive compensation or proceeds in connection with a Taking are expressly waived by Tenant; provided, however, Tenant may file a separate claim for Tenant's personal property and Tenant's reasonable relocation expenses, provided the filing of the claim does not diminish the amount of Landlord's award. If only a part of the Premises is subject to a Taking and this Lease is not terminated, Landlord, with reasonable diligence, will restore the remaining portion of the Premises as nearly as practicable to the condition immediately prior to the Taking. Tenant agrees that the provisions of this Lease shall govern any Taking and shall accordingly supersede any contrary statute or rule of law.

ARTICLE 13. SUBORDINATION; ESTOPPEL CERTIFICATE

13.1 SUBORDINATION. Tenant accepts this Lease subject and subordinate to any mortgage(s), deed(s) of trust, ground lease(s) or other lien(s) now or subsequently arising upon the Premises, the Building or the Project, and to renewals, modifications, refinancings and extensions thereof (collectively referred to as a "**Mortgage**"). The party having the benefit of a Mortgage shall be referred to as a "**Mortgagee**". This clause shall be self-operative, but upon request from a Mortgagee, Tenant shall execute a commercially reasonable subordination and attornment agreement in favor of the Mortgagee, provided such agreement provides a non-disturbance covenant benefiting Tenant. Alternatively, a Mortgagee shall have the right at any time to subordinate its Mortgage to this Lease. Upon request, Tenant, without charge, shall attorn to any successor to Landlord's interest in this Lease in the event of a foreclosure of any mortgage. Tenant agrees that any purchaser at a foreclosure sale or lender taking title under a deed in lieu of foreclosure shall not be responsible for any act or omission of a prior landlord, shall not be subject to any offsets or defenses Tenant may have against a prior landlord, and shall not be liable for the return of the Security Deposit not actually recovered by such purchaser nor bound by any rent paid in advance of the calendar month in which the transfer of title occurred; provided that the foregoing shall not release the applicable prior landlord from any liability for those obligations. Tenant acknowledges that Landlord's Mortgagees and their successors-in-interest are intended third party beneficiaries of this Section 13.1.

Notwithstanding the foregoing, upon written request by Tenant. Landlord will use reasonable efforts to obtain a non-disturbance, subordination and attornment agreement from Landlord's then current Mortgagee on such Mortgagee's then current standard form of agreement. "**Reasonable efforts**" of Landlord shall not require Landlord to incur any cost, expense or liability to obtain such agreement, it being agreed that Tenant shall be responsible for any reasonable fee or review costs charged by the Mortgagee. Upon request of Landlord, Tenant will execute the Mortgagee's form of non-disturbance, subordination and attornment agreement and return the same to Landlord for execution by the Mortgagee. Landlord's failure to obtain a non-disturbance, subordination and attornment agreement for Tenant shall have no effect on the rights, obligations and liabilities of Landlord and Tenant or be considered to be a default by Landlord hereunder.

13.2 ESTOPPEL CERTIFICATE. Tenant shall, within 10 business days after receipt of a written request from Landlord, execute and deliver a commercially reasonable estoppel certificate in favor of those parties as are reasonably requested by Landlord (including a Mortgagee or a prospective purchaser of the Building or the Project).

ARTICLE 14. DEFAULTS AND REMEDIES

14.1 TENANT'S DEFAULTS. In addition to any other event of default set forth in this Lease, the occurrence of any one or more of the following events shall constitute a "**Default**" by Tenant:

(a) The failure by Tenant to make any payment of Rent required to be made by Tenant, as and when due, where the failure continues for a period of 5 business days after written notice from Landlord to Tenant. The term "**Rent**" as used in this Lease shall be deemed to mean the Basic Rent and all other sums required to be paid by Tenant to Landlord pursuant to the terms of this Lease.

(b) The assignment, sublease, encumbrance or other Transfer of the Lease by Tenant, either voluntarily or by operation of law, whether by judgment, execution, transfer by intestacy or testacy, or other means, without the prior written consent of Landlord unless otherwise authorized in Article 9 of this Lease.

(c) The discovery by Landlord that any financial statement provided by Tenant, or by any affiliate, successor or guarantor of Tenant, was materially false.

(d) Except where a specific time period is otherwise set forth for Tenant's performance in this Lease (in which event the failure to perform by Tenant within such time period shall be a Default), the failure or inability by Tenant to observe or perform any of the covenants or provisions of this Lease to be observed or performed by Tenant, other than as specified in any other subsection of this Section 14.1, where the failure continues for a period of 30 days after written notice from Landlord to Tenant. However, if the nature of the failure is such that more than 30 days are reasonably required for its cure, then Tenant shall not be deemed to be in Default if Tenant commences the cure within 30 days, and thereafter diligently pursues the cure to completion.

The notice periods provided herein are in lieu of, and not in addition to, any notice periods provided by law, and Landlord shall not be required to give any additional notice under California Code of Civil Procedure Section 1161, or any successor statute, in order to be entitled to commence an unlawful detainer proceeding.

14.2 LANDLORD'S REMEDIES.

(a) Upon the occurrence of any Default by Tenant, then in addition to any other remedies available to Landlord, Landlord may exercise the following remedies:

(i) Landlord may terminate Tenant's right to possession of the Premises by any lawful means, in which case this Lease shall terminate and Tenant shall immediately surrender possession of the Premises to Landlord. Such termination shall not affect any accrued obligations of Tenant under this Lease. Upon termination, Landlord shall have the right to reenter the Premises and remove all persons and property. Landlord shall also be entitled to recover from Tenant:

(1) The worth at the time of award of the unpaid Rent which had been earned at the time of termination;

(2) The worth at the time of award of the amount by which the unpaid Rent which would have been earned after termination until the time of award exceeds the amount of such loss that Tenant proves could have been reasonably avoided;

(3) The worth at the time of award of the amount by which the unpaid Rent for the balance of the Term after the time of award exceeds the amount of such loss that Tenant proves could be reasonably avoided;

(4) Any other amount necessary to compensate Landlord for all the detriment proximately caused by Tenant's failure to perform its obligations under this Lease or which in the ordinary course of things would be likely to result from Tenant's default, including, but not limited to, the cost of recovering possession of the Premises, commissions and other expenses of reletting, including necessary repair, renovation, improvement and alteration of the Premises for a new tenant, reasonable attorneys' fees, and any other reasonable costs; and

(5) At Landlord's election, all other amounts in addition to or in lieu of the foregoing as may be permitted by law. Any sum, other than Basic Rent, shall be computed on the basis of the average monthly amount accruing during the 24 month period immediately prior to Default, except that if it becomes necessary to compute such rental before the 24 month period has occurred, then the computation shall be on the basis of the average monthly amount during the shorter period. As used in subparagraphs (1) and (2) above, the "worth at the time of award" shall be computed by allowing interest at the rate of 10% per annum. As used in subparagraph (3) above, the "worth at the time of award" shall be computed by discounting the amount at the discount rate of the Federal Reserve Bank of San Francisco at the time of award plus 1%.

(ii) Landlord may elect not to terminate Tenant's right to possession of the Premises, in which event Landlord may continue to enforce all of its rights and remedies under this Lease, including the right to collect all rent as it becomes due. Efforts by the Landlord to maintain, preserve or relet the Premises, or the appointment of a receiver to protect the Landlord's interests under this Lease, shall not constitute a termination of the Tenant's right to possession of the Premises. In the event that Landlord elects to avail itself of the remedy provided by this subsection (ii), Landlord shall not unreasonably withhold its consent to an assignment or subletting of the Premises subject to the reasonable standards for Landlord's consent as are contained in this Lease.

(b) The various rights and remedies reserved to Landlord in this Lease or otherwise shall be cumulative and, except as otherwise provided by California law, Landlord may pursue any or all of its rights and remedies at the same time. No delay or omission of Landlord to exercise any right or remedy shall be construed as a waiver of the right or remedy or of any breach or Default by Tenant. The acceptance by Landlord of rent shall not be a (i) waiver of any preceding breach or Default by Tenant of any provision of this Lease, other than the failure of Tenant to pay the particular rent accepted, regardless of Landlord's knowledge of the preceding breach or Default at the time of acceptance of rent, or (ii) a waiver of Landlord's right to exercise any remedy available to Landlord by virtue of the breach or Default. The acceptance of any payment from a debtor in possession, a trustee, a receiver or any other person acting on behalf of Tenant or Tenant's estate shall not waive or cure a Default under Section 14.1. No payment by Tenant or receipt by Landlord of a lesser amount than the rent required by this Lease shall be deemed to be other than a partial payment on account of the earliest due stipulated rent, nor shall any endorsement or statement on any check or letter be deemed an accord and satisfaction and Landlord shall accept the check or payment without prejudice to Landlord's right to recover the balance of the rent or pursue any other remedy available to it. Tenant hereby waives any right of redemption or relief from forfeiture under California Code of Civil Procedure Section 1174 or 1179, or under any successor statute, in the event this Lease is terminated by reason of any Default by Tenant. No act or thing done by Landlord or Landlord's agents during the Term shall be deemed an acceptance of a surrender of the Premises, and no agreement to accept a surrender shall be valid unless in writing and signed by Landlord. No employee of Landlord or of Landlord's agents shall have any power to accept the keys to the Premises prior to the termination of this Lease, and the delivery of the keys to any employee shall not operate as a termination of the Lease or a surrender of the Premises.

14.3 LATE PAYMENTS. Any Rent due under this Lease that is not paid to Landlord within 5 business days of the date when due shall bear interest at the lesser of ten percent (10%) per annum or maximum rate permitted by law from the date due until fully paid. The payment of interest shall not cure any Default by Tenant under this Lease. In addition, Tenant acknowledges that the late payment by Tenant to Landlord of rent will cause Landlord to incur costs not contemplated by this Lease, the exact amount of which will be extremely difficult and impracticable to ascertain. Those costs may include, but are not limited to, administrative, processing and accounting charges, and late charges which may be imposed on Landlord by the terms of any ground lease, mortgage or trust deed covering the Premises. Accordingly, if any rent due from Tenant shall not be received by Landlord or Landlord's designee within 5 business days after the date due, then Tenant shall pay to Landlord, in addition to the interest provided above, a late charge for each delinquent payment equal to the greater of (i) 5% of that delinquent payment or (ii) $100.00; provided that Landlord shall waive the payment of said late charge for the initial delinquent payment of Basic Rent or Operating Expenses by Tenant in any 12-month period. Acceptance of a late charge by Landlord shall not constitute a waiver of Tenant's Default with respect to the overdue amount, nor shall it prevent Landlord from exercising any of its other rights and remedies.

14.4 RIGHT OF LANDLORD TO PERFORM. If Tenant is in Default of any of its obligations under the Lease, Landlord shall have the right to perform such obligations. Tenant shall reimburse Landlord for the cost of such performance upon demand together with an administrative charge equal to 10% of the cost of the work performed by Landlord.

14.5 DEFAULT BY LANDLORD. Landlord shall not be deemed to be in default in the performance of any obligation under this Lease unless and until it has failed to perform the obligation within 30 days after written notice by Tenant to Landlord specifying in reasonable detail the nature and extent of the failure; provided, however, that if the nature of Landlord's obligation is such that more than 30 days are required for its performance, then Landlord shall not be deemed to be in default if it commences performance within the 30 day period and thereafter diligently pursues the cure to completion. Tenant hereby waives any right to terminate or rescind this Lease as a result of any default by Landlord hereunder or any breach by Landlord of any promise or inducement relating hereto, and Tenant agrees that its remedies shall be limited to a suit for actual damages and/or injunction and shall in no event include any consequential damages, lost profits or opportunity costs.

14.6 EXPENSES AND LEGAL FEES. Should either Landlord or Tenant bring any action in connection with this Lease, the prevailing party shall be entitled to recover as a part of the action its reasonable attorneys' fees, and all other reasonable costs. The prevailing party for the purpose of this paragraph shall be determined by the trier of the facts.

14.7 WAIVER OF JURY TRIAL/JUDICIAL REFERENCE.

(a) LANDLORD AND TENANT EACH ACKNOWLEDGES THAT IT IS AWARE OF AND HAS HAD THE ADVICE OF COUNSEL OF ITS CHOICE WITH RESPECT TO ITS RIGHT TO TRIAL BY JURY, AND EACH PARTY DOES HEREBY EXPRESSLY AND KNOWINGLY WAIVE AND RELEASE ALL SUCH RIGHTS TO TRIAL BY JURY IN ANY ACTION, PROCEEDING OR COUNTERCLAIM BROUGHT

BY EITHER PARTY HERETO AGAINST THE OTHER (AND/OR AGAINST ITS OFFICERS, DIRECTORS, EMPLOYEES, AGENTS, OR SUBSIDIARY OR AFFILIATED ENTITIES) ON ANY MATTERS WHATSOEVER ARISING OUT OF OR IN ANY WAY CONNECTED WITH THIS LEASE, TENANT'S USE OR OCCUPANCY OF THE PREMISES, AND/OR ANY CLAIM OF INJURY OR DAMAGE.

(b) In the event that the jury waiver provisions of Section 14.7(a) are not enforceable under California law, then, unless otherwise agreed to by the parties, the provisions of this Section 14.7(b) shall apply. Landlord and Tenant agree that any disputes arising in connection with this Lease (including but not limited to a determination of any and all of the issues in such dispute, whether of fact or of law) shall be resolved (and a decision shall be rendered) by way of a general reference as provided for in Part 2, Title 8, Chapter 6 (§§ 638 et. seq.) of the California Code of Civil Procedure, or any successor California statute governing resolution of disputes by a court appointed referee. Nothing within this Section 14.7 shall apply to an unlawful detainer action.

14.8 SATISFACTION OF JUDGMENT. The obligations of Landlord do not constitute the personal obligations of the individual partners, trustees, directors, officers, members or shareholders of Landlord or its constituent partners or members. Should Tenant recover a money judgment against Landlord, such judgment shall be satisfied only from the interest of Landlord in the Project and out of the rent or other income from such property receivable by Landlord, and no action for any deficiency may be sought or obtained by Tenant.

ARTICLE 15. END OF TERM

15.1 HOLDING OVER. If Tenant holds over for any period after the Expiration Date (or earlier termination of the Term) without the prior written consent of Landlord, such tenancy shall constitute a tenancy at sufferance only and a Default by Tenant; such holding over with the prior written consent of Landlord shall constitute a month-to-month tenancy commencing on the 1st day following the termination of this Lease and terminating 30 days following delivery of written notice of termination by either Landlord or Tenant to the other. In either of such events, possession shall be subject to all of the terms of this Lease, except that the monthly rental shall be 150% of the total monthly rental for the month immediately preceding the date of termination, subject to Landlord's right to modify same upon 30 days' notice to Tenant. The acceptance by Landlord of monthly hold-over rental in a lesser amount shall not constitute a waiver of Landlord's right to recover the full amount due unless otherwise agreed in writing by Landlord. If Tenant fails to surrender the Premises upon the expiration of this Lease despite demand to do so by Landlord, Tenant shall indemnify and hold Landlord harmless from all loss or liability, including without limitation, any claims made by any succeeding tenant relating to such failure to surrender. The foregoing provisions of this Section 15.1 are in addition to and do not affect Landlord's right of re-entry or any other rights of Landlord under this Lease or at law.

15.2 SURRENDER OF PREMISES; REMOVAL OF PROPERTY. Upon the Expiration Date or upon any earlier termination of this Lease, Tenant shall quit and surrender possession of the Premises to Landlord in as good order, condition and repair as when received or as hereafter may be improved by Landlord or Tenant, reasonable wear and tear, casualty, and repairs which are Landlord's obligation excepted, and shall remove or fund to Landlord the cost

of removing all wallpapering, voice and/or data transmission cabling installed by or for Tenant and Required Removables, together with all personal property and debris, and shall perform all work required under Section 7.3 of this Lease. If Tenant shall fail to comply with the provisions of this Section 15.2, Landlord may effect the removal and/or make any repairs, and the cost to Landlord shall be additional rent payable by Tenant upon demand. Notwithstanding the foregoing, Landlord and Tenant acknowledge and agree that Tenant shall have no obligation to remove or fund the cost to remove any cabling existing in the Premises as of the date of this Lease, if any.

ARTICLE 16. PAYMENTS AND NOTICES

All sums payable by Tenant to Landlord shall be paid, without deduction or offset, in lawful money of the United States to Landlord at its address set forth in Item 12 of the Basic Lease Provisions, or at any other place as Landlord may designate in writing. Unless this Lease expressly provides otherwise, as for example in the payment of rent pursuant to Section 4.1, all payments shall be due and payable within 10 business days after demand. All payments requiring proration shall be prorated on the basis of the number of days in the pertinent calendar month or year, as applicable. Any notice, election, demand, consent, approval or other communication to be given or other document to be delivered by either party to the other may be delivered to the other party, at the address set forth in Item 12 of the Basic Lease. Provisions, by personal service, or by any courier or “overnight” express mailing service. Either party may, by written notice to the other, served in the manner provided in this Article, designate a different address. The refusal to accept delivery of a notice, or the inability to deliver the notice (whether due to a change of address for which notice was not duly given or other good reason), shall be deemed delivery and receipt of the notice as of the date of attempted delivery. If more than one person or entity is named as Tenant under this Lease, service of any notice upon any one of them shall be deemed as service upon all of them.

ARTICLE 17. RULES AND REGULATIONS

Tenant agrees to comply with the Rules and Regulations attached as **Exhibit E**, and any reasonable and nondiscriminatory amendments, modifications and/or additions as may be adopted and published by written notice to tenants by Landlord for the safety, care, security, good order, or cleanliness of the Premises, Building, Project and/or Common Areas. Landlord shall not be liable to Tenant for any violation of the Rules and Regulations or the breach of any covenant or condition in any lease or any other act or conduct by any other tenant, and the same shall not constitute a constructive eviction hereunder. One or more waivers by Landlord of any breach of the Rules and Regulations by Tenant or by any other tenant(s) shall not be a waiver of any subsequent breach of that rule or any other. Tenant’s failure to keep and observe the Rules and Regulations shall constitute a default under this Lease. In the case of any conflict between the Rules and Regulations and this Lease, this Lease shall be controlling.

ARTICLE 18. BROKER’S COMMISSION

The parties recognize as the broker(s) who negotiated this Lease the firm(s) whose name(s) is (are) stated in Item 10 of the Basic Lease Provisions, and agree that Landlord shall be responsible for the payment of brokerage commissions to those broker(s) unless otherwise provided in this Lease. It is understood that Landlord’s Broker represents only Landlord in this transaction and

Tenant's Broker (if any) represents only Tenant. Each party warrants that it has had no dealings with any other real estate broker or agent in connection with the negotiation of this Lease, and agrees to indemnify and hold the other party harmless from any cost, expense or liability (including reasonable attorneys' fees) for any compensation, commissions or charges claimed by any other real estate broker or agent employed or claiming to represent or to have been employed by the indemnifying party in connection with the negotiation of this Lease. The foregoing agreement shall survive the termination of this Lease.

ARTICLE 19. TRANSFER OF LANDLORD'S INTEREST

In the event of any transfer of Landlord's interest in the Premises, the transferor shall be automatically relieved of all obligations on the part of Landlord accruing under this Lease from and after the date of the transfer, provided that Tenant is duly notified of the transfer. Any funds held by the transferor in which Tenant has an interest, including without limitation, the Security Deposit, shall be turned over, subject to that interest, to the transferee. No Mortgagee to which this Lease is or may be subordinate shall be responsible in connection with the Security Deposit unless the Mortgagee actually receives the Security Deposit. It is intended that the covenants and obligations contained in this Lease on the part of Landlord shall, subject to the foregoing, be binding on Landlord, its successors and assigns, only during and in respect to their respective successive periods of ownership.

ARTICLE 20. INTERPRETATION

20.1 NUMBER. Whenever the context of this Lease requires, the words "**Landlord**" and "**Tenant**" shall include the plural as well as the singular.

20.2 HEADINGS. The captions and headings of the articles and sections of this Lease are for convenience only, are not a part of this Lease and shall have no effect upon its construction or interpretation.

20.3 JOINT AND SEVERAL LIABILITY. If more than one person or entity is named as Tenant, the obligations imposed upon each shall be joint and several and the act of or notice from, or notice or refund to, or the signature of, any one or more of them shall be binding on all of them with respect to the tenancy of this Lease, including, but not limited to, any renewal, extension, termination or modification of this Lease.

20.4 SUCCESSORS. Subject to Sections 13.1 and 22.3 and to Articles 9 and 19 of this Lease, all rights and liabilities given to or imposed upon Landlord and Tenant shall extend to and bind their respective heirs, executors, administrators, successors and assigns. Nothing contained in this Section 20.4 is intended, or shall be construed, to grant to any person other than Landlord and Tenant and their successors and assigns any rights or remedies under this Lease.

20.5 TIME OF ESSENCE. Time is of the essence with respect to the performance of every provision of this Lease in which time of performance is a factor.

20.6 CONTROLLING LAW/VENUE. This Lease shall be governed by and interpreted in accordance with the laws of the State of California. Should any litigation be commenced between the parties in connection with this Lease, such action shall be prosecuted in the applicable State Court of California in the county in which the Building is located.

20.7 SEVERABILITY. If any term or provision of this Lease, the deletion of which would not adversely affect the receipt of any material benefit by either party or the deletion of which is consented to by the party adversely affected, shall be held invalid or unenforceable to any extent, the remainder of this Lease shall not be affected and each term and provision of this Lease shall be valid and enforceable to the fullest extent permitted by law.

20.8 WAIVER. One or more waivers by Landlord or Tenant of any breach of any term, covenant or condition contained in this Lease shall not be a waiver of any subsequent breach of the same or any other term, covenant or condition. Consent to any act by one of the parties shall not be deemed to render unnecessary the obtaining of that party's consent to any subsequent act. No breach of this Lease shall be deemed to have been waived unless the waiver is in a writing signed by the waiving party.

20.9 INABILITY TO PERFORM. In the event that either party shall be delayed or hindered in or prevented from the performance of any work or in performing any act required under this Lease by reason of any cause beyond the reasonable control of that party, then the performance of the work or the doing of the act shall be excused for the period of the delay and the time for performance shall be extended for a period equivalent to the period of the delay. The provisions of this Section 20.9 shall not operate to excuse Tenant from the prompt payment of Rent.

20.10 ENTIRE AGREEMENT. This Lease and its exhibits and other attachments cover in full each and every agreement of every kind between the parties concerning the Premises, the Building, and the Project, and all preliminary negotiations, oral agreements, understandings and/or practices, except those contained in this Lease, are superseded and of no further effect. Tenant waives its rights to rely on any representations or promises made by Landlord or others which are not contained in this Lease. No verbal agreement or implied covenant shall be held to modify the provisions of this Lease, any statute, law, or custom to the contrary notwithstanding.

20.11 QUIET ENJOYMENT. Upon the observance and performance of all the covenants, terms and conditions on Tenant's part to be observed and performed, and subject to the other provisions of this Lease, Tenant shall have the right of quiet enjoyment and use of the Premises for the Term without hindrance or interruption by Landlord or any other person claiming by or through Landlord.

20.12 SURVIVAL. All covenants of Landlord or Tenant which reasonably would be intended to survive the expiration or sooner termination of this Lease, including without limitation any warranty or indemnity hereunder, shall so survive and continue to be binding upon and inure to the benefit of the respective parties and their successors and assigns.

ARTICLE 21. EXECUTION AND RECORDING

21.1 COUNTERPARTS; DIGITAL SIGNATURES. This Lease may be executed in one or more counterparts, each of which shall constitute an original and all of which shall be one and the same agreement. The parties agree to accept a digital image (including but not limited to an image in the form of a PDF, JPEG, GIF file, or other e-signature) of this Lease, if applicable, reflecting the execution of one or both of the parties, as a true and correct original.

21.2 CORPORATE AND PARTNERSHIP AUTHORITY. If Tenant is a corporation, limited liability company or partnership, each individual executing this Lease on behalf of the entity represents and warrants that such individual is duly authorized to execute and deliver this Lease and that this Lease is binding upon the corporation, limited liability company or partnership in accordance with its terms. Tenant shall, at Landlord's request, deliver a certified copy of its organizational documents or an appropriate certificate authorizing or evidencing the execution of this Lease.

21.3 EXECUTION OF LEASE; NO OPTION OR OFFER. The submission of this Lease to Tenant shall be for examination purposes only, and shall not constitute an offer to or option for Tenant to lease the Premises. Execution of this Lease by Tenant and its return to Landlord shall not be binding upon Landlord or Tenant, notwithstanding any time interval, until Landlord has in fact executed and delivered this Lease to Tenant, it being intended that this Lease shall only become effective upon execution by Landlord and Tenant and delivery of a fully executed counterpart to Tenant and Landlord.

21.4 RECORDING. Tenant shall not record this Lease without the prior written consent of Landlord. Tenant, upon the request of Landlord, shall execute and acknowledge a "short form" memorandum of this Lease for recording purposes.

21.5 AMENDMENTS. No amendment or mutual termination of this Lease shall be effective unless in writing signed by authorized signatories of Tenant and Landlord, or by their respective successors in interest. No actions, policies, oral or informal arrangements, business dealings or other course of conduct by or between the parties shall be deemed to modify this Lease in any respect.

21.6 BROKER DISCLOSURE. By the execution of this Lease, each of Landlord and Tenant hereby acknowledge and confirm (a) receipt of a copy of a Disclosure Regarding Real Estate Agency Relationship conforming to the requirements of California Civil Code 2079.16, and (b) the agency relationships specified in Item 10 of the Basic Lease Provisions, which acknowledgement and confirmation is expressly made for the benefit of Tenant's Broker identified in Item 10 of the Basic Lease Provisions. If there is no Tenant's Broker so identified in Item 10 of the Basic Lease Provisions, then such acknowledgement and confirmation is expressly made for the benefit of Landlord's Broker. By the execution of this Lease, Landlord and Tenant are executing the confirmation of the agency relationships set forth in Item 10 of the Basic Lease Provisions.

ARTICLE 22. MISCELLANEOUS

22.1 NONDISCLOSURE OF LEASE TERMS. Tenant acknowledges that the content of this Lease and any related documents are confidential information. Except to the extent disclosure is required by law, Tenant shall keep such confidential information strictly confidential and shall not disclose such confidential information to any person or entity other than Tenant's financial, legal and space-planning consultants, provided, however, that Tenant may disclose the terms to prospective subtenants or assignees under this Lease or pursuant to legal requirement.

22.2 TENANT'S FINANCIAL STATEMENTS. The application, financial statements and tax returns, if any, submitted and certified to by Tenant as an accurate representation of its financial condition have been prepared, certified and submitted to Landlord as an inducement and consideration to Landlord to enter into this Lease. Tenant shall during the Term furnish Landlord with current annual financial statements accurately reflecting Tenant's financial condition upon written request from Landlord within 10 business days following Landlord's request; provided, however, that (i) unless Tenant is in Default. Landlord shall not request such statements more frequently than once during each calendar year during the Term, and (ii) so long as Tenant is a publicly traded corporation on a nationally recognized stock exchange, the foregoing obligation to deliver the statements shall be waived. Except to the extent disclosure is required by law, Landlord shall keep confidential any financial statements marked or otherwise designated by Tenant as "confidential" and shall not disclose same, without Tenant's consent, to any person or entity other than Landlord's financial, legal and other consultants with a "need to know"; provided, however, that Landlord may disclose same to any prospective lender or buyer, provided that such parties agree to keep them confidential, or pursuant to legal requirement.

22.3 MORTGAGEE PROTECTION. No act or failure to act on the part of Landlord which would otherwise entitle Tenant to be relieved of its obligations hereunder or to terminate this Lease shall result in such a release or termination unless (a) Tenant has given notice by registered or certified mail to any Mortgagee of a Mortgage covering the Building whose address has been furnished to Tenant and (b) such Mortgagee is afforded a reasonable opportunity to cure the default by Landlord (which shall in no event be less than 60 days), including, if necessary to effect the cure, time to obtain possession of the Building by power of sale or judicial foreclosure provided that such foreclosure remedy is diligently pursued. Tenant shall comply with any written directions by any Mortgagee to pay Rent due hereunder directly to such Mortgagee without determining whether a default exists under such Mortgagee's Mortgage.

22.4 SDN LIST. Tenant hereby represents and warrants that neither Tenant nor any officer, director, employee, partner, member or other principal of Tenant (collectively, "**Tenant Parties**") is listed as a Specially Designated National and Blocked Person ("**SDN**") on the list of such persons and entities issued by the U.S. Treasury Office of Foreign Assets Control (OFAC). In the event Tenant or any Tenant Party is or becomes listed as an SON, Tenant shall be deemed in breach of this Lease and Landlord shall have the right to terminate this Lease immediately upon written notice to Tenant.

LANDLORD:

BAKE TECHNOLOGY PARK LLC,
a Delaware limited liability company

By /s/ Steven M. Case
Steven M. Case
Executive Vice President

By /s/ Holly McManus
Holly McManus
Vice President, Operations

TENANT:

INARI MEDICAL, INC.,
a Delaware corporation

By /s/ William H. Hoffman
Printed Name: William H. Hoffman
Title: CEO

By /s/ Robert Rosenbluth
Printed Name: Robert Rosenbluth
Title: Chairman

Exhibit 10.3

INCEPTUS NEWCO1 INC.

2011 EQUITY INCENTIVE PLAN

1. Purposes of the Plan. The purposes of this Plan are:

- to attract and retain the best available personnel for positions of substantial responsibility,
- to provide additional incentive to Employees, Directors and Consultants, and
- to promote the success of the Company's business.

The Plan permits the grant of Incentive Stock Options, Nonstatutory Stock Options, Stock Appreciation Rights, Restricted Stock and Restricted Stock Units.

2. Definitions. As used herein, the following definitions will apply:

(a) "Administrator" means the Board or any of its Committees as will be administering the Plan, in accordance with Section 4 of the Plan.

(b) "Applicable Laws" means the requirements relating to the administration of equity-based awards under U.S. state corporate laws, U.S. federal and state securities laws, the Code, any stock exchange or quotation system on which the Common Stock is listed or quoted and the applicable laws of any foreign country or jurisdiction where Awards are, or will be, granted under the Plan.

(c) "Award" means, individually or collectively, a grant under the Plan of Options, Stock Appreciation Rights, Restricted Stock, or Restricted Stock Units.

(d) "Award Agreement" means the written or electronic agreement setting forth the terms and provisions applicable to each Award granted under the Plan. The Award Agreement is subject to the terms and conditions of the Plan.

(e) "Board" means the Board of Directors of the Company.

(f) "Cause" means the Participant's continuing status as a Service Provider ("Continuous Service") has been terminated by the Company (or its successor) due to (i) the commission by Participant of a material breach of his or her duty of loyalty to the Company, (ii) the commission by Participant of any felony, or a misdemeanor if the misdemeanor involves moral turpitude or is reasonably likely, in the judgment of the Company to have a material adverse effect upon the business or reputation of the Company within its industry or among the Company's suppliers or among its prospective customers, or (iii) Participant's material failure or refusal to perform his or her assigned duties. In addition to the foregoing, if a Participant's Continuous Service terminates for any of the following reasons after a merger or Change in Control, such Participant shall be deemed to be terminated other than for Cause: (i) the relocation of Participant more than thirty (30) miles from his or her current place of Continuous Service, (ii) a material diminution of the Participant's duties or responsibilities, (iii) a material diminution in Participant's compensation or benefits, or (iv) a material breach of the Company's obligations to pay compensation or provide benefits to Participant.

(g) "Change in Control" means the occurrence of any of the following events:

(i) Change in Ownership of the Company. A change in the ownership of the Company which occurs on the date that any one person, or more than one person acting as a group ("Person"), acquires ownership of the stock of the Company that, together with the stock held by such Person, constitutes more than 50% of the total voting power of the stock of the Company, except that any change in the ownership of the stock of the Company as a result of a private financing of the Company that is approved by the Board will not be considered a Change in Control; or

(ii) Change in Effective Control of the Company. If the Company has a class of securities registered pursuant to Section 12 of the Exchange Act, a change in the effective control of the Company which occurs on the date that a majority of members of the Board is replaced during any twelve (12) month period by Directors whose appointment or election is not endorsed by a majority of the members of the Board prior to the date of the appointment or election. For purposes of this clause (ii), if any Person is considered to be in effective control of the Company, the acquisition of additional control of the Company by the same Person will not be considered a Change in Control; or

(iii) Change in Ownership of a Substantial Portion of the Company's Assets. A change in the ownership of a substantial portion of the Company's assets which occurs on the date that any Person acquires (or has acquired during the twelve (12) month period ending on the date of the most recent acquisition by such person or persons) assets from the Company that have a total gross fair market value equal to or more than 50% of the total gross fair market value of all of the assets of the Company immediately prior to such acquisition or acquisitions. For purposes of this subsection (iii), gross fair market value means the value of the assets of the Company, or the value of the assets being disposed of, determined without regard to any liabilities associated with such assets.

For purposes of this Section 2(g), persons will be considered to be acting as a group if they are owners of a corporation that enters into a merger, consolidation, purchase or acquisition of stock, or similar business transaction with the Company.

Notwithstanding the foregoing, a transaction will not be deemed a Change in Control unless the transaction qualifies as a change in control event within the meaning of Code Section 409A, as it has been and may be amended from time to time, and any proposed or final Treasury Regulations and Internal Revenue Service guidance that has been promulgated or may be promulgated thereunder from time to time.

Further and for the avoidance of doubt, a transaction will not constitute a Change in Control if: (i) its sole purpose is to change the jurisdiction of the Company's incorporation, or (ii) its sole purpose is to create a holding company that will be owned in substantially the same proportions by the persons who held the Company's securities immediately before such transaction.

(h) "Code" means the Internal Revenue Code of 1986, as amended. Any reference to a section of the Code herein will be a reference to any successor or amended section of the Code.

(i) "Committee" means a committee of Directors or of other individuals satisfying Applicable Laws appointed by the Board, or by the compensation committee of the Board, in accordance with Section 4 hereof.

(j) "Common Stock" means the common stock of the Company.

(k) "Company" means Inceptus NewCo1 Inc., a Delaware corporation, or any successor thereto.

(l) "Consultant" means any person, including an advisor, engaged by the Company or a Parent or Subsidiary to render services to such entity.

(m) "Director" means a member of the Board.

(n) "Disability" means total and permanent disability as defined in Code Section 22(e)(3), provided that in the case of Awards other than Incentive Stock Options, the Administrator in its discretion may determine whether a permanent and total disability exists in accordance with uniform and non-discriminatory standards adopted by the Administrator from time to time.

(o) "Employee" means any person, including officers and Directors, employed by the Company or any Parent or Subsidiary of the Company. Neither service as a Director nor payment of a director's fee by the Company will be sufficient to constitute "employment" by the Company.

(p) "Exchange Act" means the Securities Exchange Act of 1934, as amended.

(q) "Exchange Program" means a program under which (i) outstanding Awards are surrendered or cancelled in exchange for Awards of the same type (which may have higher or lower exercise prices and different terms), Awards of a different type, and/or cash, (ii) Participants would have the opportunity to transfer any outstanding Awards to a financial institution or other person or entity selected by the Administrator, and/or (iii) the exercise price of an outstanding Award is reduced or increased. The Administrator will determine the terms and conditions of any Exchange Program in its sole discretion.

(r) "Fair Market Value" means, as of any date, the value of Common Stock determined as follows:

(i) If the Common Stock is listed on any established stock exchange or a national market system, including without limitation the Nasdaq Global Select Market, the Nasdaq Global Market or the Nasdaq Capital Market of The Nasdaq Stock Market, its Fair Market Value will be the closing sales price for such stock (or the closing bid, if no sales were reported) as quoted on such exchange or system on the day of determination, as reported in *The Wall Street Journal* or such other source as the Administrator deems reliable;

(ii) If the Common Stock is regularly quoted by a recognized securities dealer but selling prices are not reported, the Fair Market Value of a Share will be the mean between the high bid and low asked prices for the Common Stock on the day of determination (or, if no bids and asks were reported on that date, as applicable, on the last trading date such bids and asks were reported), as reported in *The Wall Street Journal* or such other source as the Administrator deems reliable; or

(iii) In the absence of an established market for the Common Stock, the Fair Market Value will be determined in good faith by the Administrator.

(s) "Incentive Stock Option" means an Option that by its terms qualifies and is otherwise intended to qualify as an incentive stock option within the meaning of Code Section 422 and the regulations promulgated thereunder.

(t) "Nonstatutory Stock Option" means an Option that by its terms does not qualify or is not intended to qualify as an Incentive Stock Option.

(u) "Option" means a stock option granted pursuant to the Plan.

(v) "Parent" means a "parent corporation," whether now or hereafter existing, as defined in Code Section 424(e).

(w) "Participant" means the holder of an outstanding Award.

(x) "Period of Restriction" means the period during which the transfer of Shares of Restricted Stock are subject to restrictions and therefore, the Shares are subject to a substantial risk of forfeiture. Such restrictions may be based on the passage of time, the achievement of target levels of performance, or the occurrence of other events as determined by the Administrator.

(y) "Plan" means this 2011 Equity Incentive Plan.

(z) "Restricted Stock" means Shares issued pursuant to an Award of Restricted Stock under Section 8 of the Plan, or issued pursuant to the early exercise of an Option.

(aa) "Restricted Stock Unit" means a bookkeeping entry representing an amount equal to the Fair Market Value of one Share, granted pursuant to Section 9. Each Restricted Stock Unit represents an unfunded and unsecured obligation of the Company.

(bb) "Service Provider" means an Employee, Director or Consultant.

(cc) "Share" means a share of the Common Stock, as adjusted in accordance with Section 13 of the Plan.

(dd) "Stock Appreciation Right" means an Award, granted alone or in connection with an Option, that pursuant to Section 7 is designated as a Stock Appreciation Right.

(ee) "Subsidiary" means a "subsidiary corporation," whether now or hereafter existing, as defined in Code Section 424(f).

3. Stock Subject to the Plan.

(a) Stock Subject to the Plan. Subject to the provisions of Section 13 of the Plan, the maximum aggregate number of Shares that may be subject to Awards and sold under the Plan is **15,738,552** Shares. The Shares may be authorized but unissued, or reacquired Common Stock.

(b) Lapsed Awards. If an Award expires or becomes unexercisable without having been exercised in full, is surrendered pursuant to an Exchange Program, or, with respect to Restricted Stock or Restricted Stock Units, is forfeited to or repurchased by the Company due to the failure to vest, the unpurchased Shares (or for Awards other than Options or Stock Appreciation Rights the forfeited or repurchased Shares) which were subject thereto will become available for future grant or sale under the Plan (unless the Plan has terminated). With respect to Stock Appreciation Rights, only Shares actually issued pursuant to a Stock Appreciation Right will cease to be available under the Plan; all remaining Shares under Stock Appreciation Rights will remain available for future grant or sale under the Plan (unless the Plan has terminated). Shares that have actually been issued under the Plan under any Award will not be returned to the Plan and will not become available for future distribution under the Plan; provided, however, that if Shares issued pursuant to Awards of Restricted Stock or Restricted Stock Units are repurchased by the Company or are forfeited to the Company due to the failure to vest, such Shares will become available for future grant under the Plan. Shares used to pay the exercise price of an Award or to satisfy the tax withholding obligations related to an Award will become available for future grant or sale under the Plan. To the extent an Award under the Plan is paid out in cash rather than Shares, such cash payment will not result in reducing the number of Shares available for issuance under the Plan. Notwithstanding the foregoing and, subject to adjustment as provided in Section 13, the maximum number of Shares that may be issued upon the exercise of Incentive Stock Options will equal the aggregate Share number stated in Section 3(a), plus, to the extent allowable under Code Section 422 and the Treasury Regulations promulgated thereunder, any Shares that become available for issuance under the Plan pursuant to Section 3(b).

(c) Share Reserve. The Company, during the term of this Plan, will at all times reserve and keep available such number of Shares as will be sufficient to satisfy the requirements of the Plan.

4. Administration of the Plan.

(a) Procedure.

(i) Multiple Administrative Bodies. Different Committees with respect to different groups of Service Providers may administer the Plan.

(ii) Other Administration. Other than as provided above, the Plan will be administered by (A) the Board or (B) a Committee, which Committee will be constituted to satisfy Applicable Laws.

(b) Powers of the Administrator. Subject to the provisions of the Plan, and in the case of a Committee, subject to the specific duties delegated by the Board to such Committee, the Administrator will have the authority, in its discretion:

(i) to determine the Fair Market Value;

(ii) to select the Service Providers to whom Awards may be granted hereunder;

(iii) to determine the number of Shares to be covered by each Award granted hereunder;

(iv) to approve forms of Award Agreements for use under the Plan;

(v) to determine the terms and conditions, not inconsistent with the terms of the Plan, of any Award granted hereunder. Such terms and conditions include, but are not limited to, the exercise price, the time or times when Awards may be exercised (which may be based on performance criteria), any vesting acceleration or waiver of forfeiture restrictions, and any restriction or limitation regarding any Award or the Shares relating thereto, based in each case on such factors as the Administrator will determine;

(vi) to institute and determine the terms and conditions of an Exchange Program;

(vii) to construe and interpret the terms of the Plan and Awards granted pursuant to the Plan;

(viii) to prescribe, amend and rescind rules and regulations relating to the Plan, including rules and regulations relating to sub-plans established for the purpose of satisfying applicable foreign laws or for qualifying for favorable tax treatment under applicable foreign laws;

(ix) to modify or amend each Award (subject to Section 18(c) of the Plan), including but not limited to the discretionary authority to extend the post-termination exercisability period of Awards and to extend the maximum term of an Option (subject to Section 6(d));

(x) to allow Participants to satisfy withholding tax obligations in a manner prescribed in Section 14;

(xi) to authorize any person to execute on behalf of the Company any instrument required to effect the grant of an Award previously granted by the Administrator;

(xii) to allow a Participant to defer the receipt of the payment of cash or the delivery of Shares that otherwise would be due to such Participant under an Award; and

(xiii) to make all other determinations deemed necessary or advisable for administering the Plan.

(c) Effect of Administrator's Decision. The Administrator's decisions, determinations and interpretations will be final and binding on all Participants and any other holders of Awards.

5. Eligibility. Nonstatutory Stock Options, Stock Appreciation Rights, Restricted Stock, and Restricted Stock Units may be granted to Service Providers. Incentive Stock Options may be granted only to Employees.

6. Stock Options.

(a) Grant of Options. Subject to the terms and provisions of the Plan, the Administrator, at any time and from time to time, may grant Options in such amounts as the Administrator, in its sole discretion, will determine.

(b) Option Agreement. Each Award of an Option will be evidenced by an Award Agreement that will specify the exercise price, the term of the Option, the number of Shares subject to the Option, the exercise restrictions, if any, applicable to the Option, and such other terms and conditions as the Administrator, in its sole discretion, will determine.

(c) Limitations. Each Option will be designated in the Award Agreement as either an Incentive Stock Option or a Nonstatutory Stock Option. Notwithstanding such designation, however, to the extent that the aggregate Fair Market Value of the Shares with respect to which Incentive Stock Options are exercisable for the first time by the Participant during any calendar year (under all plans of the Company and any Parent or Subsidiary) exceeds one hundred thousand dollars ($100,000), such Options will be treated as Nonstatutory Stock Options. For purposes of this Section 6(c), Incentive Stock Options will be taken into account in the order in which they were granted, the Fair Market Value of the Shares will be determined as of the time the Option with respect to such Shares is granted, and calculation will be performed in accordance with Code Section 422 and Treasury Regulations promulgated thereunder.

(d) Term of Option. The term of each Option will be stated in the Award Agreement; provided, however, that the term will be no more than ten (10) years from the date of grant thereof. In the case of an Incentive Stock Option granted to a Participant who, at the time the Incentive Stock Option is granted, owns stock representing more than ten percent (10%) of the total combined voting power of all classes of stock of the Company or any Parent or Subsidiary, the term of the Incentive Stock Option will be five (5) years from the date of grant or such shorter term as may be provided in the Award Agreement.

(e) Option Exercise Price and Consideration.

(i) Exercise Price. The per Share exercise price for the Shares to be issued pursuant to the exercise of an Option will be determined by the Administrator, but will be no less than one hundred percent (100%) of the Fair Market Value per Share on the date of grant. In addition, in the case of an Incentive Stock Option granted to an Employee who owns stock representing more than ten percent (10%) of the voting power of all classes of stock of the

Company or any Parent or Subsidiary, the per Share exercise price will be no less than one hundred ten percent (110%) of the Fair Market Value per Share on the date of grant. Notwithstanding the foregoing provisions of this Section 6(e)(i), Options may be granted with a per Share exercise price of less than one hundred percent (100%) of the Fair Market Value per Share on the date of grant pursuant to a transaction described in, and in a manner consistent with, Code Section 424(a).

(ii) Waiting Period and Exercise Dates. At the time an Option is granted, the Administrator will fix the period within which the Option may be exercised and will determine any conditions that must be satisfied before the Option may be exercised.

(iii) Form of Consideration. The Administrator will determine the acceptable form of consideration for exercising an Option, including the method of payment. In the case of an Incentive Stock Option, the Administrator will determine the acceptable form of consideration at the time of grant. Such consideration may consist entirely of: (1) cash; (2) check; (3) promissory note, to the extent permitted by Applicable Laws, (4) other Shares, provided that such Shares have a Fair Market Value on the date of surrender equal to the aggregate exercise price of the Shares as to which such Option will be exercised and provided further that accepting such Shares will not result in any adverse accounting consequences to the Company, as the Administrator determines in its sole discretion; (5) consideration received by the Company under cashless exercise program (whether through a broker or otherwise) implemented by the Company in connection with the Plan; (6) by net exercise, (7) such other consideration and method of payment for the issuance of Shares to the extent permitted by Applicable Laws, or (8) any combination of the foregoing methods of payment. In making its determination as to the type of consideration to accept, the Administrator will consider if acceptance of such consideration may be reasonably expected to benefit the Company.

(f) Exercise of Option.

(i) Procedure for Exercise; Rights as a Stockholder. Any Option granted hereunder will be exercisable according to the terms of the Plan and at such times and under such conditions as determined by the Administrator and set forth in the Award Agreement. An Option may not be exercised for a fraction of a Share.

An Option will be deemed exercised when the Company receives: (i) notice of exercise (in such form as the Administrator may specify from time to time) from the person entitled to exercise the Option, and (ii) full payment for the Shares with respect to which the Option is exercised (together with applicable tax withholding). Full payment may consist of any consideration and method of payment authorized by the Administrator and permitted by the Award Agreement and the Plan. Shares issued upon exercise of an Option will be issued in the name of the Participant or, if requested by the Participant, in the name of the Participant and his or her spouse. Until the Shares are issued (as evidenced by the appropriate entry on the books of the Company or of a duly authorized transfer agent of the Company), no right to vote or receive dividends or any other rights as a stockholder will exist with respect to the Shares subject to an Option, notwithstanding the exercise of the Option. The Company will issue (or cause to be issued) such Shares promptly after the Option is exercised. No adjustment will be made for a dividend or other right for which the record date is prior to the date the Shares are issued, except as provided in Section 13 of the Plan.

Exercising an Option in any manner will decrease the number of Shares thereafter available, both for purposes of the Plan and for sale under the Option, by the number of Shares as to which the Option is exercised.

(ii) Termination of Relationship as a Service Provider. If a Participant ceases to be a Service Provider, other than upon the Participant's termination as the result of the Participant's death or Disability, the Participant may exercise his or her Option within thirty (30) days of termination, or such longer period of time as is specified in the Award Agreement (but in no event later than the expiration of the term of such Option as set forth in the Award Agreement) to the extent that the Option is vested on the date of termination. Unless otherwise provided by the Administrator, if on the date of termination the Participant is not vested as to his or her entire Option, the Shares covered by the unvested portion of the Option will revert to the Plan. If after termination the Participant does not exercise his or her Option within the time specified by the Administrator, the Option will terminate, and the Shares covered by such Option will revert to the Plan.

(iii) Disability of Participant. If a Participant ceases to be a Service Provider as a result of the Participant's Disability, the Participant may exercise his or her Option within six (6) months of termination, or such longer period of time as is specified in the Award Agreement (but in no event later than the expiration of the term of such Option as set forth in the Award Agreement) to the extent the Option is vested on the date of termination. Unless otherwise provided by the Administrator, if on the date of termination the Participant is not vested as to his or her entire Option, the Shares covered by the unvested portion of the Option will revert to the Plan. If after termination the Participant does not exercise his or her Option within the time specified herein, the Option will terminate, and the Shares covered by such Option will revert to the Plan.

(iv) Death of Participant. If a Participant dies while a Service Provider, the Option may be exercised within six (6) months following the Participant's death, or within such longer period of time as is specified in the Award Agreement (but in no event later than the expiration of the term of such Option as set forth in the Award Agreement) to the extent that the Option is vested on the date of death, by the Participant's designated beneficiary, provided such beneficiary has been designated prior to the Participant's death in a form acceptable to the Administrator. If no such beneficiary has been designated by the Participant, then such Option may be exercised by the personal representative of the Participant's estate or by the person(s) to whom the Option is transferred pursuant to the Participant's will or in accordance with the laws of descent and distribution. Unless otherwise provided by the Administrator, if at the time of death Participant is not vested as to his or her entire Option, the Shares covered by the unvested portion of the Option will immediately revert to the Plan. If the Option is not so exercised within the time specified herein, the Option will terminate, and the Shares covered by such Option will revert to the Plan.

7. Stock Appreciation Rights.

(a) Grant of Stock Appreciation Rights. Subject to the terms and conditions of the Plan, a Stock Appreciation Right may be granted to Service Providers at any time and from time to time as will be determined by the Administrator, in its sole discretion.

(b) Number of Shares. The Administrator will have complete discretion to determine the number of Shares subject to any Award of Stock Appreciation Rights.

(c) Exercise Price and Other Terms. The per Share exercise price for the Shares that will determine the amount of the payment to be received upon exercise of a Stock Appreciation Right as set forth in Section 7(f) will be determined by the Administrator and will be no less than one hundred percent (100%) of the Fair Market Value per Share on the date of grant. Otherwise, the Administrator, subject to the provisions of the Plan, will have complete discretion to determine the terms and conditions of Stock Appreciation Rights granted under the Plan.

(d) Stock Appreciation Right Agreement. Each Stock Appreciation Right grant will be evidenced by an Award Agreement that will specify the exercise price, the term of the Stock Appreciation Right, the conditions of exercise, and such other terms and conditions as the Administrator, in its sole discretion, will determine.

(e) Expiration of Stock Appreciation Rights. A Stock Appreciation Right granted under the Plan will expire upon the date determined by the Administrator, in its sole discretion, and set forth in the Award Agreement. Notwithstanding the foregoing, the rules of Section 6(d) relating to the maximum term and Section 6(f) relating to exercise also will apply to Stock Appreciation Rights.

(f) Payment of Stock Appreciation Right Amount. Upon exercise of a Stock Appreciation Right, a Participant will be entitled to receive payment from the Company in an amount determined by multiplying:

(i) The difference between the Fair Market Value of a Share on the date of exercise over the exercise price; times

(ii) The number of Shares with respect to which the Stock Appreciation Right is exercised.

At the discretion of the Administrator, the payment upon Stock Appreciation Right exercise may be in cash, in Shares of equivalent value, or in some combination thereof.

8. Restricted Stock.

(a) Grant of Restricted Stock. Subject to the terms and provisions of the Plan, the Administrator, at any time and from time to time, may grant Shares of Restricted Stock to Service Providers in such amounts as the Administrator, in its sole discretion, will determine.

(b) Restricted Stock Agreement. Each Award of Restricted Stock will be evidenced by an Award Agreement that will specify the Period of Restriction, the number of Shares granted, and such other terms and conditions as the Administrator, in its sole discretion, will determine. Unless the Administrator determines otherwise, the Company as escrow agent will hold Shares of Restricted Stock until the restrictions on such Shares have lapsed.

(c) Transferability. Except as provided in this Section 8 or as the Administrator determines, Shares of Restricted Stock may not be sold, transferred, pledged, assigned, or otherwise alienated or hypothecated until the end of the applicable Period of Restriction.

(d) Other Restrictions. The Administrator, in its sole discretion, may impose such other restrictions on Shares of Restricted Stock as it may deem advisable or appropriate.

(e) Removal of Restrictions. Except as otherwise provided in this Section 8, Shares of Restricted Stock covered by each Restricted Stock grant made under the Plan will be released from escrow as soon as practicable after the last day of the Period of Restriction or at such other time as the Administrator may determine. The Administrator, in its discretion, may accelerate the time at which any restrictions will lapse or be removed.

(f) Voting Rights. During the Period of Restriction, Service Providers holding Shares of Restricted Stock granted hereunder may exercise full voting rights with respect to those Shares, unless the Administrator determines otherwise.

(g) Dividends and Other Distributions. During the Period of Restriction, Service Providers holding Shares of Restricted Stock will be entitled to receive all dividends and other distributions paid with respect to such Shares, unless the Administrator provides otherwise. If any such dividends or distributions are paid in Shares, the Shares will be subject to the same restrictions on transferability and forfeitability as the Shares of Restricted Stock with respect to which they were paid.

(h) Return of Restricted Stock to Company. On the date set forth in the Award Agreement, the Restricted Stock for which restrictions have not lapsed will revert to the Company and again will become available for grant under the Plan.

9. Restricted Stock Units.

(a) Grant. Restricted Stock Units may be granted at any time and from time to time as determined by the Administrator. After the Administrator determines that it will grant Restricted Stock Units, it will advise the Participant in an Award Agreement of the terms, conditions, and restrictions related to the grant, including the number of Restricted Stock Units.

(b) Vesting Criteria and Other Terms. The Administrator will set vesting criteria in its discretion, which, depending on the extent to which the criteria are met, will determine the number of Restricted Stock Units that will be paid out to the Participant. The Administrator may set vesting criteria based upon the achievement of Company-wide, business unit, or individual goals (including, but not limited to, continued employment or service), or any other basis determined by the Administrator in its discretion.

(c) Earning Restricted Stock Units. Upon meeting the applicable vesting criteria, the Participant will be entitled to receive a payout as determined by the Administrator. Notwithstanding the foregoing, at any time after the grant of Restricted Stock Units, the Administrator, in its sole discretion, may reduce or waive any vesting criteria that must be met to receive a payout.

(d) Form and Timing of Payment. Payment of earned Restricted Stock Units will be made as soon as practicable after the date(s) determined by the Administrator and set forth in the Award Agreement. The Administrator, in its sole discretion, may settle earned Restricted Stock Units in cash, Shares, or a combination of both.

(e) Cancellation. On the date set forth in the Award Agreement, all unearned Restricted Stock Units will be forfeited to the Company.

10. Compliance With Code Section 409A. Awards will be designed and operated in such a manner that they are either exempt from the application of, or comply with, the requirements of Code Section 409A, except as otherwise determined in the sole discretion of the Administrator. The Plan and each Award Agreement under the Plan is intended to meet the requirements of Code Section 409A and will be construed and interpreted in accordance with such intent, except as otherwise determined in the sole discretion of the Administrator. To the extent that an Award or payment, or the settlement or deferral thereof, is subject to Code Section 409A the Award will be granted, paid, settled or deferred in a manner that will meet the requirements of Code Section 409A, such that the grant, payment, settlement or deferral will not be subject to the additional tax or interest applicable under Code Section 409A.

11. Leaves of Absence/Transfer Between Locations. Unless the Administrator provides otherwise, vesting of Awards granted hereunder will be suspended during any unpaid leave of absence. A Participant will not cease to be an Employee in the case of (i) any leave of absence approved by the Company or (ii) transfers between locations of the Company or between the Company, its Parent, or any Subsidiary. For purposes of Incentive Stock Options, no such leave may exceed three (3) months, unless reemployment upon expiration of such leave is guaranteed by statute or contract. If reemployment upon expiration of a leave of absence approved by the Company is not so guaranteed, then six (6) months following the first (1st) day of such leave, any Incentive Stock Option held by the Participant will cease to be treated as an Incentive Stock Option and will be treated for tax purposes as a Nonstatutory Stock Option.

12. Limited Transferability of Awards.

(a) Unless determined otherwise by the Administrator, Awards may not be sold, pledged, assigned, hypothecated, or otherwise transferred in any manner other than by will or by the laws of descent and distribution, and may be exercised, during the lifetime of the Participant, only by the Participant. If the Administrator makes an Award transferable, such Award may only be transferred (i) by will, (ii) by the laws of descent and distribution, or (iii) as permitted by Rule 701 of the Securities Act of 1933, as amended (the "Securities Act").

(b) Further, until the Company becomes subject to the reporting requirements of Section 13 or 15(d) of the Exchange Act, or after the Administrator determines that it is, will, or may no longer be relying upon the exemption from registration under the Exchange Act as set forth in Rule 12h-1(f) promulgated under the Exchange Act, an Option, or prior to exercise, the Shares subject to the Option, may not be pledged, hypothecated or otherwise transferred or disposed of, in any manner, including by entering into any short position, any "put equivalent position" or any "call equivalent position" (as defined in Rule 16a-1(h) and Rule 16a-1(b) of the Exchange Act, respectively), other than to (i) persons who are "family members" (as defined in

Rule 701(c)(3) of the Securities Act) through gifts or domestic relations orders, or (ii) to an executor or guardian of the Participant upon the death or disability of the Participant. Notwithstanding the foregoing sentence, the Administrator, in its sole discretion, may determine to permit transfers to the Company or in connection with a Change in Control or other acquisition transactions involving the Company to the extent permitted by Rule 12h-1(f).

13. Adjustments; Dissolution or Liquidation; Merger or Change in Control.

(a) Adjustments. In the event that any dividend or other distribution (whether in the form of cash, Shares, other securities, or other property), recapitalization, stock split, reverse stock split, reorganization, merger, consolidation, split-up, spin-off, combination, repurchase, or exchange of Shares or other securities of the Company, or other change in the corporate structure of the Company affecting the Shares occurs, the Administrator, in order to prevent diminution or enlargement of the benefits or potential benefits intended to be made available under the Plan, will adjust the number and class of Shares that may be delivered under the Plan and/or the number, class, and price of Shares covered by each outstanding Award; provided, however, that the Administrator will make such adjustments to an Award required by Section 25102(o) of the California Corporations Code to the extent the Company is relying upon the exemption afforded thereby with respect to the Award.

(b) Dissolution or Liquidation. In the event of the proposed dissolution or liquidation of the Company, the Administrator will notify each Participant as soon as practicable prior to the effective date of such proposed transaction. To the extent it has not been previously exercised, an Award will terminate immediately prior to the consummation of such proposed action.

(c) Merger or Change in Control. In the event of a merger or Change in Control, the following will apply:

(i) Fifty percent (50%) of the then-unvested portion of any outstanding Award will, concurrent with and conditioned upon the effective date of the merger or Change in Control transaction, be accelerated and, with respect to any Option and/or Stock Appreciation Right so accelerated, a Participant will have the right to conditionally exercise such Option and/or Stock Appreciation Right prior to the the merger or Change in Control transaction;

(ii) In the event that a Participant is terminated other than for Cause (as defined in Section 2(f) herein) within twelve (12) months (or such other period of time set forth in an Award Agreement) following such merger or Change in Control, the Participant will fully vest in and have the right to exercise all of his or her outstanding Options and Stock Appreciation Rights, including Shares as to which such Awards would not otherwise be vested or exercisable, all restrictions on Restricted Stock and Restricted Stock Units will lapse, and, with respect to Awards with performance-based vesting, all performance goals or other vesting criteria will be deemed achieved at one hundred percent (100%) of target levels and all other terms and conditions met;

(iii) All Awards will terminate upon the effective date of the merger or Change in Control transaction, unless provision is made in writing in connection with such transaction for the continuance, substitution and/or the assumption of such outstanding Awards. If such provision is not made in such transaction, then the Administrator will cause written notice of the proposed transaction to be given to all Participants not less than fifteen (15) days prior to the anticipated effective date of the proposed transaction; and

(iv) Further, if no provision is made in writing in connection with such merger or Change in Control transaction for the continuance, substitution or assumption of outstanding Awards, Participants will fully vest in and have the right to exercise all outstanding Options and Stock Appreciation Rights, including Shares as to which such Awards would not otherwise be vested or exercisable, all restrictions on Restricted Stock and Restricted Stock Units will lapse, and, with respect to Awards with performance-based vesting, all performance goals or other vesting criteria will be deemed achieved at one hundred percent (100%) of target levels and all other terms and conditions met.

The Administrator will have the discretion to provide in each Award Agreement terms and conditions that relate to (a) vesting of such Award in the event of a merger or Change in Control, and (b) continuance, substitution and/or assumption of such Awards. The aforementioned terms and conditions may vary in each Award Agreement. In taking any of the actions permitted under this subsection 13(c), the Administrator will not be obligated to treat all Awards, all Awards held by a Participant, or all Awards of the same type, similarly.

For the purposes of this subsection 13(c), an Award will be considered assumed if, following the merger or Change in Control, the Award confers the right to purchase or receive, for each Share subject to the Award immediately prior to the merger or Change in Control, the consideration (whether stock, cash, or other securities or property) received in the merger or Change in Control by holders of Common Stock for each Share held on the effective date of the transaction (and if holders were offered a choice of consideration, the type of consideration chosen by the holders of a majority of the outstanding Shares); provided, however, that if such consideration received in the merger or Change in Control is not solely common stock of the successor corporation or its Parent, the Administrator may, with the consent of the successor corporation, provide for the consideration to be received upon the exercise of an Option or Stock Appreciation Right or upon the payout of a Restricted Stock Unit, for each Share subject to such Award, to be solely common stock of the successor corporation or its Parent equal in fair market value to the per share consideration received by holders of Common Stock in the merger or Change in Control.

Notwithstanding anything in this Section 13(c) to the contrary, an Award that vests, is earned or paid-out upon the satisfaction of one or more performance goals will not be considered assumed if the Company or its successor modifies any of such performance goals without the Participant's consent; provided, however, a modification to such performance goals only to reflect the successor corporation's post-Change in Control corporate structure will not be deemed to invalidate an otherwise valid Award assumption.

Notwithstanding anything in this Section 13(c) to the contrary, if a payment under an Award Agreement is subject to Code Section 409A and if the change in control definition contained in the Award Agreement does not comply with the definition of "change of control" for purposes of a distribution under Code Section 409A, then any payment of an amount that is otherwise accelerated under this Section will be delayed until the earliest time that such payment would be permissible under Code Section 409A without triggering any penalties applicable under Code Section 409A.

14. Tax Withholding.

(a) Withholding Requirements. Prior to the delivery of any Shares or cash pursuant to an Award (or exercise thereof), the Company will have the power and the right to deduct or withhold, or require a Participant to remit to the Company, an amount sufficient to satisfy federal, state, local, foreign or other taxes (including the Participant's FICA obligation) required to be withheld with respect to such Award (or exercise thereof).

(b) Withholding Arrangements. The Administrator, in its sole discretion and pursuant to such procedures as it may specify from time to time, may permit a Participant to satisfy such tax withholding obligation, in whole or in part by (without limitation) (i) paying cash, (ii) electing to have the Company withhold otherwise deliverable Shares having a Fair Market Value equal to the minimum statutory amount required to be withheld, (iii) delivering to the Company already-owned Shares having a Fair Market Value equal to the statutory amount required to be withheld, provided the delivery of such Shares will not result in any adverse accounting consequences, as the Administrator determines in its sole discretion, or (iv) selling a sufficient number of Shares otherwise deliverable to the Participant through such means as the Administrator may determine in its sole discretion (whether through a broker or otherwise) equal to the amount required to be withheld. The amount of the withholding requirement will be deemed to include any amount which the Administrator agrees may be withheld at the time the election is made, not to exceed the amount determined by using the maximum federal, state or local marginal income tax rates applicable to the Participant with respect to the Award on the date that the amount of tax to be withheld is to be determined. The Fair Market Value of the Shares to be withheld or delivered will be determined as of the date that the taxes are required to be withheld.

15. No Effect on Employment or Service. Neither the Plan nor any Award will confer upon a Participant any right with respect to continuing the Participant's relationship as a Service Provider with the Company, nor will they interfere in any way with the Participant's right or the Company's right to terminate such relationship at any time, with or without cause, to the extent permitted by Applicable Laws.

16. Date of Grant. The date of grant of an Award will be, for all purposes, the date on which the Administrator makes the determination granting such Award, or such other later date as is determined by the Administrator. Notice of the determination will be provided to each Participant within a reasonable time after the date of such grant.

17. Term of Plan. Subject to Section 21 of the Plan, the Plan will become effective upon its adoption by the Board. Unless sooner terminated under Section 18, it will continue in effect for a term of ten (10) years from the later of (a) the effective date of the Plan, or (b) the earlier of the most recent Board or stockholder approval of an increase in the number of Shares reserved for issuance under the Plan.

18. Amendment and Termination of the Plan.

(a) Amendment and Termination. The Board may at any time amend, alter, suspend or terminate the Plan.

(b) Stockholder Approval. The Company will obtain stockholder approval of any Plan amendment to the extent necessary and desirable to comply with Applicable Laws.

(c) Effect of Amendment or Termination. No amendment, alteration, suspension or termination of the Plan will impair the rights of any Participant, unless mutually agreed otherwise between the Participant and the Administrator, which agreement must be in writing and signed by the Participant and the Company. Termination of the Plan will not affect the Administrator's ability to exercise the powers granted to it hereunder with respect to Awards granted under the Plan prior to the date of such termination.

19. Conditions Upon Issuance of Shares.

(a) Legal Compliance. Shares will not be issued pursuant to the exercise of an Award unless the exercise of such Award and the issuance and delivery of such Shares will comply with Applicable Laws and will be further subject to the approval of counsel for the Company with respect to such compliance.

(b) Investment Representations. As a condition to the exercise of an Award, the Company may require the person exercising such Award to represent and warrant at the time of any such exercise that the Shares are being purchased only for investment and without any present intention to sell or distribute such Shares if, in the opinion of counsel for the Company, such a representation is required.

20. Inability to Obtain Authority. The inability of the Company to obtain authority from any regulatory body having jurisdiction, which authority is deemed by the Company's counsel to be necessary to the lawful issuance and sale of any Shares hereunder, will relieve the Company of any liability in respect of the failure to issue or sell such Shares as to which such requisite authority will not have been obtained.

21. Stockholder Approval. The Plan will be subject to approval by the stockholders of the Company within twelve (12) months after the date the Plan is adopted by the Board. Such stockholder approval will be obtained in the manner and to the degree required under Applicable Laws.

22. Information to Participants. Beginning on the earlier of (i) the date that the aggregate number of Participants under this Plan is five hundred (500) or more and the Company is relying on the exemption provided by Rule 12h-1(f)(1) under the Exchange Act and (ii) the date that the Company is required to deliver information to Participants pursuant to Rule 701 under the Securities Act, and until such time as the Company becomes subject to the reporting requirements of Section 13 or 15(d) of the Exchange Act, is no longer relying on the exemption provided by Rule 12h-1(f)(1) under the Exchange Act or is no longer required to deliver information to Participants pursuant to Rule 701 under the Securities Act, the Company shall provide to each Participant the information described in paragraphs (e)(3), (4), and (5) of Rule 701 under the

Securities Act not less frequently than every six (6) months with the financial statements being not more than 180 days old and with such information provided either by physical or electronic delivery to the Participants or by written notice to the Participants of the availability of the information on an Internet site that may be password-protected and of any password needed to access the information. The Company may request that Participants agree to keep the information to be provided pursuant to this section confidential. If a Participant does not agree to keep the information to be provided pursuant to this section confidential, then the Company will not be required to provide the information unless otherwise required pursuant to Rule 12h-1(f)(1) under the Exchange Act or Rule 701 of the Securities Act.

Exhibit 10.4

Grant Number: _____

INARI MEDICAL INC.

2011 EQUITY INCENTIVE PLAN

STOCK OPTION AGREEMENT

Unless otherwise defined herein, the terms defined in the 2011 Equity Incentive Plan (the "Plan") shall have the same defined meanings in this Stock Option Agreement (the "Option Agreement").

I. NOTICE OF STOCK OPTION GRANT

Name: [name]

Address: [home address]

The undersigned Participant has been granted an Option to purchase Common Stock of the Company, subject to the terms and conditions of the Plan and this Option Agreement, as follows:

Date of Grant:

Board Approval Date:

Vesting Commencement Date:

Exercise Price per Share:

Total Number of Shares Granted:

Type of Option:	X	Incentive Stock Option
		Nonstatutory Stock Option

Term/Expiration Date:

Vesting Schedule:

This Option shall be exercisable, in whole or in part, according to the following vesting schedule:

Twenty-five percent (25%) of the Shares subject to the Option shall vest on the one (1) year anniversary of the Vesting Commencement Date, and one forty eighth (1/48th) of the Shares subject to the Option shall vest each month thereafter on the same day of the month as the Vesting Commencement Date (and if there is no corresponding day, on the last day of the month), subject to Participant continuing to be a Service Provider through each such date.

Termination Period:

This Option shall be exercisable for three (3) months after Participant ceases to be a Service Provider, unless such termination is due to Participant's death or Disability, in which case this Option shall be exercisable for twelve (12) months after Participant ceases to be a Service Provider. Notwithstanding the foregoing sentence, in no event may this Option be exercised after the Term/Expiration Date as provided above and this Option may be subject to earlier termination as provided in Section 13 of the Plan.

II. AGREEMENT

1. Grant of Option. The Administrator of the Company hereby grants to the Participant named in the Notice of Stock Option Grant in Part I of this Agreement ("Participant"), an option (the "Option") to purchase the number of Shares set forth in the Notice of Stock Option Grant, at the exercise price per Share set forth in the Notice of Stock Option Grant (the "Exercise Price"), and subject to the terms and conditions of the Plan, which is incorporated herein by reference. Subject to Section 18 of the Plan, in the event of a conflict between the terms and conditions of the Plan and this Option Agreement, the terms and conditions of the Plan shall prevail.

If designated in the Notice of Stock Option Grant as an Incentive Stock Option ("ISO"), this Option is intended to qualify as an Incentive Stock Option as defined in Section 422 of the Code. Nevertheless, to the extent that it exceeds the $100,000 rule of Code Section 422(d), this Option shall be treated as a Nonstatutory Stock Option ("NSO"). Further, if for any reason this Option (or portion thereof) shall not qualify as an ISO, then, to the extent of such nonqualification, such Option (or portion thereof) shall be regarded as a NSO granted under the Plan. In no event shall the Administrator, the Company or any Parent or Subsidiary or any of their respective employees or directors have any liability to Participant (or any other person) due to the failure of the Option to qualify for any reason as an ISO.

2. Exercise of Option.

(a) Right to Exercise. This Option shall be exercisable during its term in accordance with the Vesting Schedule set out in the Notice of Stock Option Grant and with the applicable provisions of the Plan and this Option Agreement.

(b) Method of Exercise. This Option shall be exercisable by delivery of an exercise notice in the form attached as Exhibit A (the "Exercise Notice") or in a manner and pursuant to such procedures as the Administrator may determine, which shall state the election to exercise the Option, the number of Shares with respect to which the Option is being exercised (the "Exercised Shares"), and such other representations and agreements as may be required by the Company. The Exercise Notice shall be accompanied by payment of the aggregate Exercise Price as to all Exercised Shares, together with any applicable tax withholding. This Option shall be deemed to be exercised upon receipt by the Company of such fully executed Exercise Notice accompanied by the aggregate Exercise Price, together with any applicable tax withholding.

No Shares shall be issued pursuant to the exercise of an Option unless such issuance and such exercise comply with Applicable Laws. Assuming such compliance, for income tax purposes the Shares shall be considered transferred to Participant on the date on which the Option is exercised with respect to such Shares.

3. Participant's Representations. In the event the Shares have not been registered under the Securities Act of 1933, as amended (the "Securities Act"), at the time this Option is exercised, Participant shall, if required by the Company, concurrently with the exercise of all or any portion of this Option, deliver to the Company his or her Investment Representation Statement in the form attached hereto as Exhibit B.

4. Lock-Up Period. Participant hereby agrees that Participant shall not 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, any Common Stock (or other securities) of the Company or enter into any swap, hedging or other arrangement that transfers to another, in whole or in part, any of the economic consequences of ownership of any Common Stock (or other securities) of the Company held by Participant (other than those included in the registration) for a period specified by the representative of the underwriters of Common Stock (or other securities) of the Company not to exceed one hundred and eighty (180) days following the effective date of any registration statement of the Company filed under the Securities Act (or such other period as may be requested by the Company or the underwriters to accommodate regulatory restrictions on (i) the publication or other distribution of research reports and (ii) analyst recommendations and opinions, including, but not limited to, the restrictions contained in NASD Rule 2711(f)(4) or NYSE Rule 472(f)(4), or any successor provisions or amendments thereto).

Participant agrees to execute and deliver such other agreements as may be reasonably requested by the Company or the underwriter which are consistent with the foregoing or which are necessary to give further effect thereto. In addition, if requested by the Company or the representative of the underwriters of Common Stock (or other securities) of the Company, Participant shall provide, within ten (10) days of such request, such information as may be required by the Company or such representative in connection with the completion of any public offering of the Company's securities pursuant to a registration statement filed under the Securities Act. The obligations described in this Section 4 shall not apply to a registration relating solely to employee benefit plans on Form S-1 or Form S-8 or similar forms that may be promulgated in the future, or a registration relating solely to a Commission Rule 145 transaction on Form S-4 or similar forms that may be promulgated in the future. The Company may impose stop-transfer instructions with respect to the shares of Common Stock (or other securities) subject to the foregoing restriction until the end of said one hundred and eighty (180) day (or other) period. Participant agrees that any transferee of the Option or shares acquired pursuant to the Option shall be bound by this Section 4.

5. Method of Payment. Payment of the aggregate Exercise Price shall be by any of the following, or a combination thereof, at the election of the Participant:

(a) cash;

(b) check;

(c) consideration received by the Company under a formal cashless exercise program adopted by the Company in connection with the Plan; or

(d) surrender of other Shares which (i) shall be valued at its Fair Market Value on the date of exercise, and (ii) must be owned free and clear of any liens, claims, encumbrances or security interests, if accepting such Shares, in the sole discretion of the Administrator, shall not result in any adverse accounting consequences to the Company.

6. Restrictions on Exercise. This Option may not be exercised until such time as the Plan has been approved by the stockholders of the Company, or if the issuance of such Shares upon such exercise or the method of payment of consideration for such shares would constitute a violation of any Applicable Law.

7. Non-Transferability of Option.

(a) This Option may not be transferred in any manner otherwise than by will or by the laws of descent or distribution and may be exercised during the lifetime of Participant only by Participant. The terms of the Plan and this Option Agreement shall be binding upon the executors, administrators, heirs, successors and assigns of Participant.

(b) Further, until the Company becomes subject to the reporting requirements of Section 13 or 15(d) of the Exchange Act, or after the Administrator determines that it is, will, or may no longer be relying upon the exemption from registration of Options under the Exchange Act as set forth in Rule 12h-1(f) promulgated under the Exchange Act (the "Reliance End Date"), Participant shall not transfer this Option or, prior to exercise, the Shares subject to this Option, in any manner other than (i) to persons who are "family members" (as defined in Rule 701(c)(3) of the Securities Act) through gifts or domestic relations orders, or (ii) to an executor or guardian of Participant upon the death or disability of Participant. Until the Reliance End Date, the Options and, prior to exercise, the Shares subject to this Option, may not be pledged, hypothecated or otherwise transferred or disposed of, including by entering into any short position, any "put equivalent position" or any "call equivalent position" (as defined in Rule 16a-1(h) and Rule 16a-1(b) of the Exchange Act, respectively), other than as permitted in clauses (i) and (ii) of this paragraph.

8. Term of Option. This Option may be exercised only within the term set out in the Notice of Stock Option Grant, and may be exercised during such term only in accordance with the Plan and the terms of this Option Agreement.

9. Tax Obligations.

(a) Tax Withholding. Participant agrees to make appropriate arrangements with the Company (or the Parent or Subsidiary employing or retaining Participant) for the satisfaction of all Federal, state, local and foreign income and employment tax withholding requirements applicable to the Option exercise. Participant acknowledges and agrees that the Company may refuse to honor the exercise and refuse to deliver the Shares if such withholding amounts are not delivered at the time of exercise.

(b) Notice of Disqualifying Disposition of ISO Shares. If the Option granted to Participant herein is an ISO, and if Participant sells or otherwise disposes of any of the Shares acquired pursuant to the ISO on or before the later of (i) the date two (2) years after the Date of Grant, or (ii) the date one (1) year after the date of exercise, Participant shall immediately notify the Company in writing of such disposition. Participant agrees that Participant may be subject to income tax withholding by the Company on the compensation income recognized by Participant.

(c) Code Section 409A. Under Code Section 409A, an Option that vests after December 31, 2004 (or that vested on or prior to such date but which was materially modified after October 3, 2004) that was granted with a per Share exercise price that is determined by the Internal Revenue Service (the "IRS") to be less than the Fair Market Value of a Share on the date of grant (a "discount option") may be considered "deferred compensation." An Option that is a "discount option" may result in (i) income recognition by Participant prior to the exercise of the Option, (ii) an additional twenty percent (20%) federal income tax, and (iii) potential penalty and interest charges. The "discount option" may also result in additional state income, penalty and interest tax to the Participant. Participant acknowledges that the Company cannot and has not guaranteed that the IRS will agree that the per Share exercise price of this Option equals or exceeds the Fair Market Value of a Share on the date of grant in a later examination. Participant agrees that if the IRS determines that the Option was granted with a per Share exercise price that was less than the Fair Market Value of a Share on the date of grant, Participant shall be solely responsible for Participant's costs related to such a determination.

10. Entire Agreement; Governing Law. The Plan is incorporated herein by reference. The Plan and this Option Agreement constitute the entire agreement of the parties with respect to the subject matter hereof and supersede in their entirety all prior undertakings and agreements of the Company and Participant with respect to the subject matter hereof, and may not be modified adversely to the Participant's interest except by means of a writing signed by the Company and Participant. This Option Agreement is governed by the internal substantive laws but not the choice of law rules of Delaware.

11. No Guarantee of Continued Service. PARTICIPANT ACKNOWLEDGES AND AGREES THAT THE VESTING OF SHARES PURSUANT TO THE VESTING SCHEDULE HEREOF IS EARNED ONLY BY CONTINUING AS A SERVICE PROVIDER AT THE WILL OF THE COMPANY (OR THE PARENT OR SUBSIDIARY EMPLOYING OR RETAINING PARTICIPANT) AND NOT THROUGH THE ACT OF BEING HIRED, BEING GRANTED THIS OPTION OR ACQUIRING SHARES HEREUNDER. PARTICIPANT FURTHER ACKNOWLEDGES AND AGREES THAT THIS AGREEMENT, THE TRANSACTIONS CONTEMPLATED HEREUNDER AND THE VESTING SCHEDULE SET FORTH HEREIN DO NOT CONSTITUTE AN EXPRESS OR IMPLIED PROMISE OF CONTINUED ENGAGEMENT AS A SERVICE PROVIDER FOR THE VESTING PERIOD, FOR ANY PERIOD, OR AT ALL, AND SHALL NOT INTERFERE IN ANY WAY WITH PARTICIPANT'S RIGHT OR THE RIGHT OF THE COMPANY (OR THE PARENT OR SUBSIDIARY EMPLOYING OR RETAINING PARTICIPANT) TO TERMINATE PARTICIPANT'S RELATIONSHIP AS A SERVICE PROVIDER AT ANY TIME, WITH OR WITHOUT CAUSE.

Participant acknowledges receipt of a copy of the Plan and represents that he or she is familiar with the terms and provisions thereof, and hereby accepts this Option subject to all of the terms and provisions thereof. Participant has reviewed the Plan and this Option in their entirety, has had an opportunity to obtain the advice of counsel prior to executing this Option and fully understands all provisions of the Option. Participant hereby agrees to accept as binding, conclusive and final all decisions or interpretations of the Administrator upon any questions arising under the Plan or this Option. Participant further agrees to notify the Company upon any change in the residence address indicated below.

PARTICIPANT	INARI MEDICAL INC.
Signature	By
Print Name	Mitch Hill Print Name
	CFO Title
Residence Address	
Email Address	
Taxpayer ID (social security #)	

EXHIBIT A

2011 EQUITY INCENTIVE PLAN

EXERCISE NOTICE

INARI MEDICAL INC.
9272 Jeronimo Road, Suite 124
Irvine CA 92618

Attention: Secretary

1. Exercise of Option. Effective as of today, _____, ____, the undersigned ("Participant") hereby elects to exercise Participant's option (the "Option") to purchase _____ shares of the Common Stock (the "Shares") of INARI MEDICAL INC. (the "Company") under and pursuant to the 2011 Equity Incentive Plan (the "Plan") and the Stock Option Agreement dated _____, ____, (the "Option Agreement").

2. Delivery of Payment. Participant herewith delivers to the Company the full purchase price of the Shares, as set forth in the Option Agreement, and any and all withholding taxes due in connection with the exercise of the Option.

3. Representations of Participant. Participant acknowledges that Participant has received, read and understood the Plan and the Option Agreement and agrees to abide by and be bound by their terms and conditions.

4. Rights as Stockholder. Until the issuance of the Shares (as evidenced by the appropriate entry on the books of the Company or of a duly authorized transfer agent of the Company), no right to vote or receive dividends or any other rights as a stockholder shall exist with respect to the Common Stock subject to an Award, notwithstanding the exercise of the Option. The Shares shall be issued to Participant as soon as practicable after the Option is exercised in accordance with the Option Agreement. No adjustment shall be made for a dividend or other right for which the record date is prior to the date of issuance except as provided in Section 13 of the Plan.

5. Company's Right of First Refusal. Before any Shares held by Participant or any transferee (either being sometimes referred to herein as the "Holder") may be sold or otherwise transferred (including transfer by gift or operation of law), the Company or its assignee(s) shall have a right of first refusal to purchase the Shares on the terms and conditions set forth in this Section 5 (the "Right of First Refusal").

(a) Notice of Proposed Transfer. The Holder of the Shares shall deliver to the Company a written notice (the "Notice") stating: (i) the Holder's bona fide intention to sell or otherwise transfer such Shares; (ii) the name of each proposed purchaser or other transferee ("Proposed Transferee"); (iii) the number of Shares to be transferred to each Proposed Transferee; and (iv) the bona fide cash price or other consideration for which the Holder proposes to transfer the Shares (the "Offered Price"), and the Holder shall offer the Shares at the Offered Price to the Company or its assignee(s).

(b) Exercise of Right of First Refusal. At any time within thirty (30) days after receipt of the Notice, the Company and/or its assignee(s) may, by giving written notice to the Holder, elect to purchase all, but not less than all, of the Shares proposed to be transferred to any one or more of the Proposed Transferees, at the purchase price determined in accordance with subsection (c) below.

(c) Purchase Price. The purchase price ("Purchase Price") for the Shares purchased by the Company or its assignee(s) under this Section 5 shall be the Offered Price. If the Offered Price includes consideration other than cash, the cash equivalent value of the non-cash consideration shall be determined by the Board of Directors of the Company in good faith.

(d) Payment. Payment of the Purchase Price shall be made, at the option of the Company or its assignee(s), in cash (by check), by cancellation of all or a portion of any outstanding indebtedness of the Holder to the Company (or, in the case of repurchase by an assignee, to the assignee), or by any combination thereof within thirty (30) days after receipt of the Notice or in the manner and at the times set forth in the Notice.

(e) Holder's Right to Transfer. If all of the Shares proposed in the Notice to be transferred to a given Proposed Transferee are not purchased by the Company and/or its assignee(s) as provided in this Section 5, then the Holder may sell or otherwise transfer such Shares to that Proposed Transferee at the Offered Price or at a higher price, *provided* that such sale or other transfer is consummated within one hundred and twenty (120) days after the date of the Notice, that any such sale or other transfer is effected in accordance with any applicable securities laws and that the Proposed Transferee agrees in writing that the provisions of this Section 5 shall continue to apply to the Shares in the hands of such Proposed Transferee. If the Shares described in the Notice are not transferred to the Proposed Transferee within such period, a new Notice shall be given to the Company, and the Company and/or its assignees shall again be offered the Right of First Refusal before any Shares held by the Holder may be sold or otherwise transferred.

(f) Exception for Certain Family Transfers. Anything to the contrary contained in this Section 5 notwithstanding, the transfer of any or all of the Shares during the Participant's lifetime or on the Participant's death by will or intestacy to the Participant's immediate family or a trust for the benefit of the Participant's immediate family shall be exempt from the provisions of this Section 5. "Immediate Family" as used herein shall mean spouse, lineal descendant or antecedent, father, mother, brother or sister. In such case, the transferee or other recipient shall receive and hold the Shares so transferred subject to the provisions of this Section 5, and there shall be no further transfer of such Shares except in accordance with the terms of this Section 5.

(g) Termination of Right of First Refusal. The Right of First Refusal shall terminate as to any Shares upon the earlier of (i) the first sale of Common Stock of the Company to the general public, or (ii) a Change in Control in which the successor corporation has equity securities that are publicly traded.

6. Tax Consultation. Participant understands that Participant may suffer adverse tax consequences as a result of Participant's purchase or disposition of the Shares. Participant represents that Participant has consulted with any tax consultants Participant deems advisable in connection with the purchase or disposition of the Shares and that Participant is not relying on the Company for any tax advice.

7. Restrictive Legends and Stop-Transfer Orders.

(a) Legends. Participant understands and agrees that the Company shall cause the legends set forth below or legends substantially equivalent thereto, to be placed upon any certificate(s) evidencing ownership of the Shares together with any other legends that may be required by the Company or by state or federal securities laws:

> THE SECURITIES REPRESENTED HEREBY HAVE NOT BEEN REGISTERED UNDER THE SECURITIES ACT OF 1933 (THE "ACT") AND MAY NOT BE OFFERED, SOLD OR OTHERWISE TRANSFERRED, PLEDGED OR HYPOTHECATED UNLESS AND UNTIL REGISTERED UNDER THE ACT OR, IN THE OPINION OF COUNSEL SATISFACTORY TO THE ISSUER OF THESE SECURITIES, SUCH OFFER, SALE OR TRANSFER, PLEDGE OR HYPOTHECATION IS IN COMPLIANCE THEREWITH.
>
> THE SHARES REPRESENTED BY THIS CERTIFICATE ARE SUBJECT TO CERTAIN RESTRICTIONS ON TRANSFER AND A RIGHT OF FIRST REFUSAL HELD BY THE ISSUER OR ITS ASSIGNEE(S) AS SET FORTH IN THE EXERCISE NOTICE BETWEEN THE ISSUER AND THE ORIGINAL HOLDER OF THESE SHARES, A COPY OF WHICH MAY BE OBTAINED AT THE PRINCIPAL OFFICE OF THE ISSUER. SUCH TRANSFER RESTRICTIONS AND RIGHT OF FIRST REFUSAL ARE BINDING ON TRANSFEREES OF THESE SHARES.
>
> THE SHARES REPRESENTED BY THIS CERTIFICATE ARE SUBJECT TO RESTRICTIONS ON TRANSFER FOR A PERIOD OF TIME FOLLOWING THE EFFECTIVE DATE OF THE UNDERWRITTEN PUBLIC OFFERING OF THE COMPANY'S SECURITIES SET FORTH IN AN AGREEMENT BETWEEN THE ISSUER AND THE ORIGINAL HOLDER OF THESE SHARES AND MAY NOT BE SOLD OR OTHERWISE DISPOSED OF BY THE HOLDER PRIOR TO THE EXPIRATION OF SUCH PERIOD WITHOUT THE CONSENT OF THE COMPANY OR THE MANAGING UNDERWRITER.

(b) Stop-Transfer Notices. Participant agrees that, in order to ensure compliance with the restrictions referred to herein, the Company may issue appropriate "stop transfer" instructions to its transfer agent, if any, and that, if the Company transfers its own securities, it may make appropriate notations to the same effect in its own records.

(c) Refusal to Transfer. The Company shall not be required (i) to transfer on its books any Shares that have been sold or otherwise transferred in violation of any of the provisions of this Exercise Notice or (ii) to treat as owner of such Shares or to accord the right to vote or pay dividends to any purchaser or other transferee to whom such Shares shall have been so transferred.

8. Successors and Assigns. The Company may assign any of its rights under this Exercise Notice to single or multiple assignees, and this Exercise Notice shall inure to the benefit of the successors and assigns of the Company. Subject to the restrictions on transfer herein set forth, this Exercise Notice shall be binding upon Participant and his or her heirs, executors, administrators, successors and assigns.

9. Interpretation. Any dispute regarding the interpretation of this Exercise Notice shall be submitted by Participant or by the Company forthwith to the Administrator, which shall review such dispute at its next regular meeting. The resolution of such a dispute by the Administrator shall be final and binding on all parties.

10. Governing Law; Severability. This Exercise Notice is governed by the internal substantive laws, but not the choice of law rules, of Delaware. In the event that any provision hereof becomes or is declared by a court of competent jurisdiction to be illegal, unenforceable or void, this Exercise Notice shall continue in full force and effect.

11. Entire Agreement. The Plan and Option Agreement are incorporated herein by reference. This Exercise Notice, the Plan, the Option Agreement and the Investment Representation Statement constitute the entire agreement of the parties with respect to the subject matter hereof and supersede in their entirety all prior undertakings and agreements of the Company and Participant with respect to the subject matter hereof, and may not be modified adversely to the Participant's interest except by means of a writing signed by the Company and Participant.

Submitted by: PARTICIPANT	Accepted by: INARI MEDICAL INC.
Signature	By
Print Name	Print Name
	Title
Address:	Address:
	Date Received

EXHIBIT B

INVESTMENT REPRESENTATION STATEMENT

PARTICIPANT :

COMPANY : INARI MEDICAL INC.

SECURITY : COMMON STOCK

AMOUNT :

DATE :

In connection with the purchase of the above-listed Securities, the undersigned Participant represents to the Company the following:

(a) Participant is aware of the Company's business affairs and financial condition and has acquired sufficient information about the Company to reach an informed and knowledgeable decision to acquire the Securities. Participant is acquiring these Securities for investment for Participant's own account only and not with a view to, or for resale in connection with, any "distribution" thereof within the meaning of the Securities Act of 1933, as amended (the "Securities Act").

(b) Participant acknowledges and understands that the Securities constitute "restricted securities" under the Securities Act and have not been registered under the Securities Act in reliance upon a specific exemption therefrom, which exemption depends upon, among other things, the bona fide nature of Participant's investment intent as expressed herein. In this connection, Participant understands that, in the view of the Securities and Exchange Commission, the statutory basis for such exemption may be unavailable if Participant's representation was predicated solely upon a present intention to hold these Securities for the minimum capital gains period specified under tax statutes, for a deferred sale, for or until an increase or decrease in the market price of the Securities, or for a period of one (1) year or any other fixed period in the future. Participant further understands that the Securities must be held indefinitely unless they are subsequently registered under the Securities Act or an exemption from such registration is available. Participant further acknowledges and understands that the Company is under no obligation to register the Securities. Participant understands that the certificate evidencing the Securities shall be imprinted with any legend required under applicable state securities laws.

(c) Participant is familiar with the provisions of Rule 701 and Rule 144, each promulgated under the Securities Act, which, in substance, permit limited public resale of "restricted securities" acquired, directly or indirectly from the issuer thereof, in a non-public offering subject to the satisfaction of certain conditions. Rule 701 provides that if the issuer qualifies under Rule 701 at the time of the grant of the Option to Participant, the exercise shall be exempt from registration under the Securities Act. In the event the Company becomes subject to the reporting requirements of Section 13 or 15(d) of the Securities Exchange Act of 1934, ninety (90) days thereafter (or such longer period as any market stand-off agreement may

require) the Securities exempt under Rule 701 may be resold, subject to the satisfaction of the applicable conditions specified by Rule 144, including in the case of affiliates (1) the availability of certain public information about the Company, (2) the amount of Securities being sold during any three (3) month period not exceeding specified limitations, (3) the resale being made in an unsolicited "broker's transaction", transactions directly with a "market maker" or "riskless principal transactions" (as those terms are defined under the Securities Exchange Act of 1934) and (4) the timely filing of a Form 144, if applicable.

In the event that the Company does not qualify under Rule 701 at the time of grant of the Option, then the Securities may be resold in certain limited circumstances subject to the provisions of Rule 144, which may require (i) the availability of current public information about the Company; (ii) the resale to occur more than a specified period after the purchase and full payment (within the meaning of Rule 144) for the Securities; and (iii) in the case of the sale of Securities by an affiliate, the satisfaction of the conditions set forth in sections (2), (3) and (4) of the paragraph immediately above.

(d) Participant further understands that in the event all of the applicable requirements of Rule 701 or 144 are not satisfied, registration under the Securities Act, compliance with Regulation A, or some other registration exemption shall be required; and that, notwithstanding the fact that Rules 144 and 701 are not exclusive, the Staff of the Securities and Exchange Commission has expressed its opinion that persons proposing to sell private placement securities other than in a registered offering and otherwise than pursuant to Rules 144 or 701 shall 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 their respective brokers who participate in such transactions do so at their own risk. Participant understands that no assurances can be given that any such other registration exemption shall be available in such event.

PARTICIPANT

Signature

Print Name

Date

Exhibit 10.5

INARI MEDICAL, INC.
2011 EQUITY INCENTIVE PLAN
NOTICE OF RESTRICTED STOCK UNIT AWARD

You ("**Recipient**") have been granted Restricted Stock Units ("**RSUs**") representing shares of the Common Stock of Inari Medical, Inc. (the "**Company**") on the following terms:

Name of Recipient:	[Name]
Maximum Number of RSUs:	[Maximum Number of RSUs]
Date of Grant:	«DateGrant»
Vesting Commencement Date:	[Vesting Commencement Date]
Earned Number of RSUs:	Only earned RSUs will vest and be settled through the issuance of shares of Company Common Stock. The actual number of RSUs that are earned, following satisfaction of all applicable Vesting and other conditions as set forth below, will be determined based upon the "Value Metrics" attached as Appendix A to this Notice of Restricted Stock Award and in all events may not exceed the Maximum Number of RSUs set forth above.
Vesting:	You will receive a benefit with respect to a RSU only if it vests. Two vesting requirements must be satisfied on or before the Service Date specified above in order for a RSU to vest: (i) a requirement that you provide Continuous Service over the period of time set forth in "Service-Based Requirement" below and (ii) a requirement that the Company complete either an IPO or a Sale Event. Your RSUs will not vest (in whole or in part) if only one (or if neither) of such requirements is satisfied on or before the Service Date (as defined in the next paragraph below).
Service-Based Requirement:	Provided that the Company has first undertaken an IPO, the Service-Based Requirement applicable to the RSUs will be satisfied if you remain in Continuous Service from the Grant Date through the fourth (4th) anniversary of the Vesting Commencement Date (such date is referred to herein as the "**Regular Service**

	Date"); *provided however* that the Service-Based Requirement will be deemed to be satisfied prior to the fourth (4th) anniversary of the Vesting Commencement Date upon the following circumstances: (1) if, following an IPO, your Service is terminated without Cause by the Company or terminates as a result of your death, provided that in such case, the Earned Number of RSUs will be determined based upon the modified Value Metrics set forth on Appendix A; or (2) without regard to whether or not the Company has yet completed an IPO, if the Company completes a Sale Event on or prior to the fourth anniversary of the Vesting Commencement Date. The date on which the Service-Based Requirement is satisfied under clause (1) or (2) of the preceding sentence is referred to as the "**Early Service Date**," which, together with the Regular Service Date, is referred to as the "**Service Date**."
Settlement:	Settlement of RSUs refers to the issuance of Shares once the award is vested. If a RSU vests as a result of satisfaction of all applicable vesting requirements as described above, the Company will deliver the Earned Number of RSUs at the time of settlement specified in Section 4 of the Restricted Stock Unit Agreement.

By signing below or otherwise accepting this award in a manner acceptable to the Company, you and the Company agree that these RSUs are granted under and governed by the terms and conditions of this Notice of Restricted Stock Unit Award, the 2011 Equity Incentive Plan (the "**Plan**") and the Restricted Stock Unit Agreement. These latter two documents are attached to, and made a part of, this Notice of Restricted Stock Unit Award. Capitalized terms not otherwise defined herein or in the Restricted Stock Unit Agreement shall have the meaning set forth in the Plan. You hereby acknowledge that the vesting of the RSUs pursuant to this Notice of Restricted Stock Unit Award is conditioned on the satisfaction of the Service-Based Requirement and the occurrence, within the applicable time frame and before expiration of the RSUs, of an IPO or Sale Event. You shall have no right with respect to the RSUs to the extent an IPO or Sale Event does not occur on or before, or (except as otherwise stated above) to the extent your Continuous Service terminates prior to, the Service Date. **Section 10 of the Restricted Stock Unit Agreement also includes important acknowledgements.**

RECIPIENT:

INARI MEDICAL, INC.

By:_____

_____

Email Address:

Title:_____

_____

_____

Address for Mailing Stock Certificate (only applicable if the Company has certificated shares):

_____

APPENDIX A

VALUE METRICS

The actual Earned Number of RSUs that will be issued in settlement of your vested RSUs will be determined based upon the Value of a share of Common Stock on the Service Date, where Value is determined as described below.

If the Value is	Then the Earned Number of RSUs will be:
Less than $6.70	[Number of Shares]
$6.70	[Number of Shares]
$8.38	[Number of Shares]
$15.08	[Number of Shares]

Provided that:

- In the event that any of the transactions or events specified in Section 13(a) of the Plan occur, proportionate adjustment of the Values specified in the chart above shall be made in order to prevent diminution or enlargement of the benefits intended to be conveyed by this award;

- Straight-line interpolation shall be used in connection with share Values that fall between the Values specified in the chart above;

- Any RSUs not deemed to be part of the Earned Number of RSUs as a result of the applicable percentage specified in the chart above being less than 100% shall expire as of the date on which the Earned Number of RSUs are settled, and you will receive no value or benefit with respect to such expired RSUs; and

- Following an IPO and prior to the Regular Service Date, if there occurs an Early Service Date, the Value will be determined as of the Early Service Date (rather than on the Regular Service Date), the Earned Number of RSUs to which you will become entitled will be equal to 75% of the number calculated under the above chart, and the RSUs will be settled as specified in Section 4 of the Restricted Stock Unit Agreement.

"**Value**" for purposes of this Appendix A shall be determined as follows:

(a) If the Service Date corresponds to the effective date of a Sale Event, the Value of a share of Common Stock shall be equal to the per-share value of Common Stock as determined pursuant to the definitive transaction agreement governing the Sale Event or, if no such agreement applies, then as determined in good faith by the Board based upon the value conveyed to the Company's stockholders as a result of the transaction; and

(b) Whether the Service Date corresponds to a Regular Service Date or to an Early Service Date not related to the date of a Sale Event (either of which dates must occur after an IPO), the Value shall be determined based upon the average closing price of the Company's Common Stock on the primary U.S. national exchange (e.g., NASDAQ) on which it is traded for the three-month period ending on the day immediately preceding the applicable Service Date (or if such date is not a trading day, then the next earlier preceding trading day), as reported in such publication or quotation service as is deemed authoritative by the Board. For clarity, if the stock has not traded during the entire three-month period referred to in the preceding sentence, then the Board shall determine in good faith the appropriate methodology for calculating the average trading price based upon the period for which closing prices are available.

THE RSUS GRANTED PURSUANT TO THE NOTICE OF RESTRICTED STOCK UNIT AWARD AND THIS AGREEMENT AND THE SHARES ISSUABLE THEREUNDER HAVE NOT BEEN REGISTERED UNDER THE SECURITIES ACT OF 1933, AS AMENDED, AND MAY NOT BE SOLD, PLEDGED, OR OTHERWISE TRANSFERRED WITHOUT AN EFFECTIVE REGISTRATION THEREOF UNDER SUCH ACT OR AN OPINION OF COUNSEL, SATISFACTORY TO THE COMPANY AND ITS COUNSEL, THAT SUCH REGISTRATION IS NOT REQUIRED.

INARI MEDICAL, INC.
2011 EQUITY INCENTIVE PLAN
RESTRICTED STOCK UNIT AGREEMENT

SECTION 1. GRANT OF RESTRICTED STOCK UNITS.

(a) **Grant**. On the terms and conditions set forth in the Notice of Restricted Stock Unit Award and this Agreement, the Company grants to you on the Date of Grant the number of RSUs set forth in the Notice of Restricted Stock Unit Award. Each RSU represents the right to receive one Share on the terms and conditions set forth in this Agreement.

(b) **Consideration**. No payment is required for the RSUs that have been granted to you.

(c) **Nature of Units; No Rights As a Stockholder**. Your RSUs are mere bookkeeping entries and represent only the Company's unfunded and unsecured promise to issue Shares on a future date under specified conditions. As a holder of RSUs, you have no rights other than the rights of a general creditor of the Company. Your RSUs carry neither voting rights nor rights to cash dividends. You have no rights as a stockholder of the Company unless and until your RSUs are settled pursuant to Section 4.

(d) **Stock Plan and Defined Terms**. Your RSUs are granted pursuant to the Plan, a copy of which you acknowledge having received. The provisions of the Plan are incorporated into this Agreement by this reference. Certain capitalized terms are defined in Section 11 of this Agreement. Capitalized terms not otherwise defined herein or in the Notice of Restricted Stock Unit Award shall have the meanings set forth in the Plan.

SECTION 2. VESTING.

(a) **Generally**. The RSUs vest in accordance with the vesting schedule set forth in the Notice of Restricted Stock Unit Award. You will receive a benefit with respect to a RSU only if the Service-Based Requirement is satisfied and the Company has completed either an IPO or a Sale Event on or before the Service Date. Your RSUs will not vest (in whole or in part) if only one (or if neither) of such requirements is satisfied on or before the Service Date.

(b) **Termination of Service**. If your Service terminates for any reason, all RSUs as to which the Service-Based Requirement has not been satisfied as of your termination date shall automatically terminate and be cancelled. You will not satisfy the Service-Based Requirement for any additional RSUs after your Service has terminated for any reason.

(c) **Expiration of RSUs**. If an IPO or Sale Event does not occur on or before the applicable Service Date as set forth in the Notice of Restricted Stock Unit Award, all RSUs (regardless of whether or not, or the extent to which, the Service-Based Requirement had been satisfied as to such RSUs) shall automatically terminate and be cancelled upon such date. Similarly if your Continuous Service terminates prior to the occurrence of a Service Date, all RSUs shall automatically terminate and be cancelled upon the date of such termination (regardless of whether an IPO has occurred as of such date of termination). For clarity, all RSUs that remain unvested on the fourth anniversary of the Vesting Commencement Date shall terminate and expire. Upon a termination of one or more RSUs pursuant to this Section 2, you will have no further right with respect to such RSUs or the Shares subject to such RSUs.

(d) **Part-Time Employment and Leaves of Absence**. If you commence working on a part-time basis, then the Company may adjust the Service-Based Requirement set forth in the Notice of Restricted Stock Unit Award. If you go on a leave of absence, then, to the extent permitted by applicable law, the Company may adjust or suspend the Service-Based Requirement set forth in the Notice of Restricted Stock Unit Award. Except as provided in the preceding sentence, Service shall be deemed to continue for any purpose under this Agreement while you are on a *bona fide* leave of absence approved by the Company in writing. Service shall be deemed to terminate when such leave ends, unless you immediately return to active work when such leave ends.

SECTION 3. RESTRICTIONS APPLICABLE TO RSUS.

Except as otherwise provided in or pursuant to this Agreement or the Plan, these RSUs and the rights and privileges conferred hereby shall not be sold, assigned, transferred, pledged, hypothecated, or otherwise disposed of by you prior to the settlement of the RSUs. However, you may designate a third party who, in the event of your death, shall thereafter be entitled to receive any distribution of Shares to which you were entitled at the time of your death pursuant to this Agreement by delivering a written beneficiary designation to the Company's headquarters (in the form attached hereto as Exhibit A or such other form or format as the Company may from time to time prescribe) before your death. If you deliver no such beneficiary designation or if your designated beneficiaries do not survive you, your estate will receive payments in respect of any vested RSUs.

SECTION 4. SETTLEMENT OF RSUS.

(a) **Settlement Date**. Upon a Service Date with respect to a particular RSU, the Company will deliver one Share for that RSU. Settlement shall occur on or following the Service Date, but not later than the Short Term Deferral End Date. *Notwithstanding the above*, if the Earned Number of RSUs would otherwise settle within the restricted period specified in Section 7(c) below, then settlement of such RSUs shall be delayed so that they will settle no later than the earlier to occur of (i) the 185th day following the IPO Date or (ii) the Short Term Deferral End Date.

(b) **Form of Delivery**. The form of any delivery of Shares (e.g., a stock certificate or electronic entry evidencing such shares) shall be determined by the Company.

(c) **Legality of Issuance**. No Shares shall be issued to you upon settlement of these RSUs unless and until the Company has determined that (i) you and the Company have taken any actions required to register the Shares under the Securities Act or to perfect an exemption from the registration requirements thereof; (ii) any applicable listing requirement of any stock exchange or other securities market on which Stock is listed has been satisfied; and (iii) any other applicable provision of federal, State or foreign law has been satisfied. The Company shall have no liability to issue Shares in respect of the RSUs unless it is able to do so in compliance with applicable law.

SECTION 5. TAXES.

(a) **Withholding Taxes**. No consideration will be paid to you in respect of this award unless you have made arrangements satisfactory to the Company and/or the Parent or Subsidiary employing you (your "**Employer**") for the payment of all applicable federal, State, local and foreign income and employment withholding taxes which arise in connection with the vesting and/or settlement of these RSUs (the "**Withholding Taxes**"). To the extent that you fail to make such arrangements with respect to these RSUs, then you will permanently forfeit such RSUs. At the discretion of the Company, these arrangements may include (i) withholding from other compensation or amounts that are owed to you by your Employer, (ii) payment in cash, (iii) if the Stock is publicly traded, payment from the proceeds of the sale of shares through a Company-approved broker, (iv) withholding a number of Shares that otherwise would be issued to you when the RSUs are settled, or (v) any other method permitted by the Company. If the Withholding Taxes are satisfied pursuant to clause (iv), you will be deemed to have been issued the full number of Shares subject to the RSUs and the Fair Market Value of the withheld Shares, determined as of the date when taxes otherwise would have been withheld in cash, will be applied to the Withholding Taxes and such amount will be remitted to appropriate tax authorities by the Company or your Employer. The Company will not withhold fractional shares pursuant to clause (iv), so if the Withholding Taxes are satisfied pursuant to clause (iv), you hereby authorize the Company or your Employer to withhold the amount of any remaining Withholding Taxes from your wages or other cash compensation. You acknowledge that the responsibility for all Withholding Taxes is yours and may exceed the amount actually withheld by the Company or your Employer.

(b) **Section 409A**. The settlement of these RSUs is intended to be exempt from the application of Code Section 409A pursuant to the "short-term deferral exemption" in Treasury Regulation 1.409A-1(b)(4) and shall be administered and interpreted in a manner that complies with such exemption. To the extent that any provision of this Agreement is ambiguous as to its exemption from Code Section 409A, the provision shall be read in such a manner so that all payments hereunder are exempt from Code Section 409A. Notwithstanding the foregoing, if this award of RSUs is interpreted as not being exempt from Code Section 409A, it shall be interpreted to comply with the requirements of Code Section 409A so that this award is not

subject to additional tax or interest under Code Section 409A. In this regard, to the extent necessary to comply with or qualify for an exemption from Code Section 409A, any reference to "termination of employment" or similar terms will mean your "separation from service" within the meaning of Code Section 409A(2)(A)(i) (a "**Separation**"). In addition, if this award is payable upon your Separation and you are a "specified employee" of the Company or any affiliate thereof within the meaning of Code Section 409A(a)(2)(B)(i) on the day of your Separation, then no such payment shall be made prior to the date that is the earlier of (i) six months and one day after your Separation, or (ii) your death, but only to the extent such delay is necessary so that this award is not subject to additional tax or interest under Code Section 409A. Each installment of your RSUs that vests is intended to constitute a separate payment for purposes of Code Section 409A.

SECTION 6. RIGHT OF FIRST REFUSAL.

(a) **Right of First Refusal**. In the event that you propose to sell, pledge or otherwise transfer to a third party any Shares acquired under this Agreement, or any interest in such Shares, the Company shall have the Right of First Refusal with respect to all (and not less than all) of such Shares. If you desire to transfer Shares acquired under this Agreement, you must give a written Transfer Notice to the Company describing fully the proposed transfer, including the number of Shares proposed to be transferred, the proposed transfer price, the name and address of the proposed Transferee and proof satisfactory to the Company that the proposed sale or transfer will not violate any applicable federal, State or foreign securities laws. The Transfer Notice shall be signed both by you and by the proposed Transferee and must constitute a binding commitment of both parties to the transfer of the Shares. The Company shall have the right to purchase all, and not less than all, of the Shares on the terms of the proposal described in the Transfer Notice (subject, however, to any change in such terms permitted under Section 6(b) below) by delivery of a notice of exercise of the Right of First Refusal within 30 days after the date when the Transfer Notice was received by the Company.

(b) **Transfer of Shares**. If the Company fails to exercise its Right of First Refusal within 30 days after the date when it received the Transfer Notice, you may, not later than 90 days following receipt of the Transfer Notice by the Company, conclude a transfer of the Shares subject to the Transfer Notice on the terms and conditions no less favorable to you than those described in the Transfer Notice, provided that any such sale is made in compliance with applicable federal, State and foreign securities laws and not in violation of any other contractual restrictions to which you are bound. Any proposed transfer on terms and conditions less favorable than those described in the Transfer Notice, as well as any subsequent proposed transfer by you, shall again be subject to the Right of First Refusal and shall require compliance with the procedure described in Section 6(a) above. If the Company exercises its Right of First Refusal, the parties shall consummate the sale of the Shares on the terms set forth in the Transfer Notice within 60 days after the date when the Company received the Transfer Notice (or within such longer period as may have been specified in the Transfer Notice); provided, however, that in the event the Transfer Notice provided that payment for the Shares was to be made in a form other than cash or cash equivalents paid at the time of transfer, the Company shall have the option of paying for the Shares with cash or cash equivalents equal to the present value of the consideration described in the Transfer Notice.

(c) **Additional or Exchanged Securities and Property**. In the event of a merger or consolidation of the Company, a sale of all or substantially all of the Company's stock or assets, any other corporate reorganization, a stock split, the declaration of a stock dividend, the declaration of an extraordinary dividend payable in a form other than stock, a spin-off, an adjustment in conversion ratio, a recapitalization or a similar transaction affecting the Company's outstanding securities, any securities or other property (including cash or cash equivalents) that are by reason of such transaction exchanged for, or distributed with respect to, any Shares subject to this Section 6 shall immediately be subject to the Right of First Refusal. Appropriate adjustments to reflect the exchange or distribution of such securities or property shall be made to the number and/or class of the Shares subject to this Section 6.

(d) **Termination of Right of First Refusal**. Any other provision of this Section 6 notwithstanding, in the event that the Stock is readily tradable on an established securities market when you desire to transfer Shares, the Company shall have no Right of First Refusal, and you shall have no obligation to comply with the procedures prescribed by Sections 6(a) and 6(b) above.

(e) **Permitted Transfers**. This Section 6 shall not apply to (i) a transfer by beneficiary designation, will or intestate succession or (ii) a transfer to one or more members of your Immediate Family or to a trust or other entity established by you solely for the benefit of you and/or one or more members of your Immediate Family, provided in either case that the Transferee agrees in writing on a form prescribed by the Company to be bound by all provisions of this Agreement. If you transfer any Shares acquired under this Agreement, either under this Section 6(e) or after the Company has failed to exercise the Right of First Refusal, then this Agreement shall apply to the Transferee to the same extent as to you.

(f) **Termination of Rights as Stockholder**. If the Company makes available, at the time and place and in the amount and form provided in this Agreement, the consideration for the Shares to be purchased in accordance with this Section 6, then after such time the person from whom such Shares are to be purchased shall no longer have any rights as a holder of such Shares (other than the right to receive payment of such consideration in accordance with this Agreement). Such Shares shall be deemed to have been purchased in accordance with the applicable provisions hereof, whether or not the certificate(s) therefor have been delivered as required by this Agreement.

(g) **Assignment of Right of First Refusal**. The Board of Directors may freely assign the Company's Right of First Refusal, in whole or in part. Any person who accepts an assignment of the Right of First Refusal from the Company shall be entitled to and assume all of the Company's rights and obligations under this Section 6.

SECTION 7. RESTRICTIONS APPLICABLE TO SHARES.

(a) **General Restrictions**. Unless the Stock is readily tradeable on an established securities market, the transfer of any of the Shares acquired pursuant to this Agreement (or any interest therein) shall, at the Company's request, be condition upon (i) effecting such transfer pursuant to a form of stock transfer agreement prescribed by the Company and (ii) payment of a transfer fee not to exceed $5,000.

(b) **Securities Law Restrictions**. Regardless of whether the offering and sale of Shares under the Plan have been registered under the Securities Act or have been registered or qualified under the securities laws of any State or other relevant jurisdiction, the Company at its discretion may impose restrictions upon the sale, pledge or other transfer of such Shares (including the placement of appropriate legends on the stock certificates (or electronic equivalent) or the imposition of stop-transfer instructions) and may refuse (or may be required to refuse) to transfer Shares acquired hereunder (or Shares proposed to be transferred in a subsequent transfer) if, in the judgment of the Company, such restrictions, legends or refusal are necessary or appropriate to achieve compliance with the Securities Act or other relevant securities or other laws, including without limitation under Regulation S of the Securities Act or pursuant to another available exemption from registration. You (or the beneficiary or your personal representative in the event of your death or incapacity, as the case may be) shall deliver to the Company any representations or other documents or assurances as the Company may deem necessary or reasonably desirable to ensure compliance with all applicable legal and regulatory requirements.

(c) **Market Stand-Off**. In connection with any underwritten public offering by the Company of its equity securities pursuant to an effective registration statement filed under the Securities Act, including the Company's initial public offering, you or a Transferee shall not directly or indirectly sell, make any short sale of, loan, hypothecate, pledge, offer, grant or sell any option or other contract for the purchase of, purchase any option or other contract for the sale of, or otherwise dispose of or transfer, or agree to engage in any of the foregoing transactions with respect to, any Shares acquired under this Agreement without the prior written consent of the Company or its managing underwriter. Such restriction (the "**Market Stand-Off**") shall be in effect for such period of time following the date of the final prospectus for the offering as may be requested by the Company or such underwriter. In no event, however, shall such period exceed 180 days plus such additional period as may reasonably be requested by the Company or such underwriter to accommodate regulatory restrictions on (i) the publication or other distribution of research reports or (ii) analyst recommendations and opinions, including (without limitation) the restrictions set forth in Rule 2711(f)(4) of the National Association of Securities Dealers and Rule 472(f)(4) of the New York Stock Exchange, as amended, or any similar successor rules. The Market Stand-Off shall in any event terminate two years after the date of the Company's initial public offering. In the event of the declaration of a stock dividend, a spin-off, a stock split, an adjustment in conversion ratio, a recapitalization or a similar transaction affecting the Company's outstanding securities without receipt of consideration, any new, substituted or additional securities which are by reason of such transaction distributed with respect to any Shares subject to the Market Stand-Off, or into which such Shares thereby become convertible, shall immediately be subject to the Market Stand-Off. In order to enforce the Market Stand-Off, the Company may impose stop-transfer instructions with respect to the Shares acquired under this Agreement until the end of the applicable stand-off period. The Company's underwriters shall be beneficiaries of the agreement set forth in this Section 7(c). This Section 7(c) shall not apply to Shares registered in the public offering under the Securities Act.

(d) **Investment Intent at Grant**. You represent and agree that the Shares to be acquired upon settlement of these RSUs will be acquired for investment, and not with a view to the sale or distribution thereof.

(e) **Investment Intent at Settlement**. In the event that the sale of Shares under the Plan is not registered under the Securities Act but an exemption is available that requires an investment representation or other representation, you shall represent and agree at the time of issuance that the Shares being acquired upon settlement of these RSUs are being acquired for investment, and not with a view to the sale or distribution thereof, and shall make such other representations as are deemed necessary or appropriate by the Company and its counsel, including, at the time of settlement, such representations as required by Regulation S of the Securities Act (if the Company is relying on such exemption)[1].

(f) **Rights of the Company**. The Company shall not be required to (i) transfer on its books any Shares that have been sold or transferred in contravention of this Agreement or (ii) treat as the owner of Shares, or otherwise to accord voting, dividend or liquidation rights to, any Transferee to whom the Shares have been transferred in contravention of this Agreement.

(g) **Legends**. All certificates evidencing the Shares issued under this Agreement shall bear the following legend:

"THE SHARES REPRESENTED HEREBY (AND ANY INTEREST THEREIN) MAY NOT BE SOLD, ASSIGNED, TRANSFERRED, ENCUMBERED OR IN ANY MANNER DISPOSED OF, EXCEPT IN COMPLIANCE WITH THE TERMS OF THE RESTRICTED STOCK UNIT AGREEMENT PURSUANT TO WHICH SUCH SHARES WERE ACQUIRED. SUCH AGREEMENT GRANTS TO THE COMPANY CERTAIN RIGHTS OF FIRST REFUSAL UPON AN ATTEMPTED TRANSFER OF THE SHARES. IN ADDITION, THE SHARES ARE SUBJECT TO RESTRICTIONS ON TRANSFER AS SET FORTH IN SUCH RESTRICTED STOCK UNIT AGREEMENT. THE SECRETARY OF THE COMPANY WILL UPON WRITTEN REQUEST FURNISH A COPY OF SUCH RESTRICTED STOCK UNIT AGREEMENT TO THE HOLDER HEREOF WITHOUT CHARGE."

All certificates evidencing Shares issued under this Agreement in an unregistered transaction shall bear the following legend (and such other restrictive legends as are required or deemed advisable under the provisions of any applicable law):

"THE SHARES REPRESENTED HEREBY HAVE NOT BEEN REGISTERED UNDER THE SECURITIES ACT OF 1933, AS AMENDED (THE "ACT") OR ANY SECURITIES LAWS OF ANY U.S. STATE, AND MAY NOT BE SOLD, REOFFERED, PLEDGED, ASSIGNED, ENCUMBERED OR OTHERWISE TRANSFERRED OR DISPOSED OF WITHOUT AN EFFECTIVE REGISTRATION THEREOF UNDER SUCH ACT OR AN OPINION OF COUNSEL, SATISFACTORY TO THE COMPANY AND ITS COUNSEL, THAT SUCH REGISTRATION IS NOT REQUIRED. IN THE ABSENCE OF REGISTRATION OR THE AVAILABILITY (CONFIRMED BY OPINION OF COUNSEL) OF AN ALTERNATIVE EXEMPTION FROM REGISTRATION

1 If the Company wishes to rely on Reg S, consider whether this should be expanded.

UNDER THE ACT (INCLUDING WITHOUT LIMITATION IN ACCORDANCE WITH REGULATION S UNDER THE ACT), THESE SHARES MAY NOT BE SOLD, REOFFERED, PLEDGED, ASSIGNED, ENCUMBERED OR OTHERWISE TRANSFERRED OR DISPOSED OF. HEDGING TRANSACTIONS INVOLVING THESE SHARES MAY NOT BE CONDUCTED UNLESS IN COMPLIANCE WITH THE ACT."

(h) **Removal of Legends**. If, in the opinion of the Company and its counsel, any legend placed on a stock certificate representing Shares issued under this Agreement is no longer required, the holder of such certificate shall be entitled to exchange such certificate for a certificate representing the same number of Shares but without such legend.

(i) **Administration**. Any determination by the Company and its counsel in connection with any of the matters set forth in this Section 7 shall be conclusive and binding on you and all other persons.

SECTION 8. ADJUSTMENT OF SHARES.

In the event of any transaction described in Section 13(a) of the Plan, the terms of these RSUs (including, without limitation, the number and kind of shares subject to these RSUs) shall be adjusted as set forth therein. In the event that the Company is a party to a transaction described in Section 13(b) or (c), the terms of these RSUs shall be subject to the treatment provided for therein; provided, however, that any action taken must either preserve the exemption of your RSUs from Code Section 409A or comply with Code Section 409A. Any additional RSUs and any new, substituted or additional shares, cash or other property that become subject to this award as a result of any such transaction shall be subject to the same conditions and restrictions as applicable to the RSUs to which they relate.

SECTION 9. MISCELLANEOUS PROVISIONS.

(a) **No Retention Rights**. Nothing in this Agreement or in the Plan shall confer upon you the right to remain in Service in any capacity for any period of specific duration or interfere with or otherwise restrict in any way the rights of the Company (or any Parent or Subsidiary employing or retaining you) or you, which rights are hereby expressly reserved by each, to terminate your Service at any time and for any reason, with or without cause.

(b) **Notice**. Any notice required by the terms of this Agreement shall be given in writing. It shall be deemed effective upon (i) personal delivery, (ii) deposit with the United States Postal Service, by registered or certified mail, with postage and fees prepaid, (iii) deposit with Federal Express Corporation, with shipping charges prepaid or (iv) deposit with any internationally recognized express mail courier service, with shipping charges prepaid. Notice shall be addressed to the Company at its principal executive office and to you at the address that you most recently provided to the Company in accordance with this Section 9(c). In addition, to the extent required or permitted pursuant to rules established by the Company from time to time, notices may be delivered electronically.

(c) **Modifications and Waivers**. No provision of this Agreement shall be modified, waived or discharged unless the modification, waiver or discharge is agreed to in

writing and signed by you and by an authorized officer of the Company (other than you). No waiver by either party of any breach of, or of compliance with, any condition or provision of this Agreement by the other party shall be considered a waiver of any other condition or provision or of the same condition or provision at another time.

(d) **Entire Agreement**. The Notice of Restricted Stock Unit Award, this Agreement and the Plan constitute the entire understanding between you and the Company regarding the subject matter hereof. They supersede any other agreements, representations or understandings (whether oral or written and whether express or implied) that relate to the subject matter hereof.

(e) **Choice of Law**. This Agreement shall be governed by, and construed in accordance with, the laws of the State of Delaware, as such laws are applied to contracts entered into and performed in such State.

(f) **Severability**. Whenever possible, each provision of this Agreement shall be interpreted in such manner as to be effective and valid under applicable law, but if any provision of this Agreement shall be held to be prohibited by or invalid under applicable law, such provision shall be ineffective only to the extent of such prohibition or invalidity, without invalidating the remainder of such provision or the remaining provisions of this Agreement.

(g) **Successors and Assigns**. Except as otherwise expressly provided to the contrary, the provisions of this Agreement shall inure to the benefit of, and be binding upon, the Company and its successors and assigns and be binding upon you and your legal representatives, heirs, legatees, distributees, assigns and transferees by operation of law, whether or not any such person has become a party to this Agreement or has agreed in writing to join herein and to be bound by the terms, conditions and restrictions hereof.

SECTION 10. ACKNOWLEDGEMENTS.

In addition to the other terms, conditions and restrictions imposed on your RSUs and the Shares issuable upon settlement of your RSUs pursuant to this Agreement and the Plan, you expressly acknowledge being subject to Sections 6 (Right of First Refusal) and 7 (Restrictions Applicable to Shares, including without limitation the Market Stand-Off), as well as the following provisions:

(a) **Tax Consequences.** You acknowledge that there will be tax consequences upon vesting and/or settlement of the RSUs and/or disposition of the Shares, if any, received hereunder, and you should consult a tax adviser regarding your tax obligations prior to such event. You acknowledge that the Company is not providing any tax, legal, or financial advice, nor is the Company making any recommendations regarding your participation in the Plan or acquisition or sale of Shares subject to this award. You are hereby advised to consult with your own personal tax, legal, and financial advisors regarding your participation in the Plan. You further acknowledge that the Company (i) makes no representations or undertakings regarding the tax treatment of the award of RSUs, including, but not limited to the grant, vesting, or settlement of the RSUs, the subsequent sale of Shares acquired pursuant to such RSUs, and the receipt of any dividends; and (ii) does not commit to and is under no obligation to

structure the terms of the grant of the RSUs to reduce or eliminate your tax liability or achieve any particular tax result. You agree that the Company does not have a duty to design or administer the RSUs, the Plan or its other compensation programs in a manner that minimizes your tax liability. You shall not make any claim against the Company or its Board of Directors, officers, or employees related to tax matters arising from this award or your other compensation.

(b) **Electronic Delivery of Documents.** You acknowledge and agree that the Company may, in its sole discretion, deliver all documents relating the Company, the Plan or these RSUs and all other documents that the Company is required to deliver to its security holders (including, without limitation, disclosures that may be required by the Securities and Exchange Commission) by email or other means of electronic transmission (including by posting them on a website maintained by the Company or a third party under contract with the Company). You acknowledge that you may incur costs in connection with any such delivery by means of electronic transmission, including the cost of accessing the internet and printing fees, and that an interruption of internet access may interfere with his or her ability to access the documents.

(c) **Plan Discretionary**. You understand and acknowledge that (i) the Plan is entirely discretionary, (ii) the Company and your employer have reserved the right to amend, suspend or terminate the Plan at any time, (iii) the grant of the RSUs does not in any way create any contractual or other right to receive additional grants of RSUs (or benefits in lieu of RSUs) at any time or in any amount and (iv) all determinations with respect to any additional grants, including (without limitation) the times when RSUs will be granted, the number of Shares offered, and the vesting schedule, will be at the sole discretion of the Company.

(d) **Termination of Service**. You understand and acknowledge that participation in the Plan ceases upon termination of your Service for any reason, except as may explicitly be provided otherwise in the Plan or this Agreement.

(e) **Extraordinary Compensation**. The value of your RSUs and the Shares issuable thereunder shall be an extraordinary item of compensation outside the scope of your employment contract, if any, and shall not be considered a part of your normal or expected compensation for purposes of calculating severance, resignation, redundancy or end-of-service payments, bonuses, long-service awards, pension or retirement benefits or similar payments.

(f) **Authorization to Disclose**. You hereby authorize and direct your employer to disclose to the Company or any Subsidiary any information regarding your employment, the nature and amount of your compensation and the fact and conditions of your participation in the Plan, as your employer deems necessary or appropriate to facilitate the administration of the Plan.

(g) **Personal Data Authorization**. You consent to the collection, use and transfer of personal data as described in this Subsection (g). You understand and acknowledge that the Company, your employer and the Company's other Subsidiaries hold certain personal information regarding you for the purpose of managing and administering the Plan, including (without limitation) your name, home address, telephone number, date of birth, social insurance number, salary, nationality, job title, any Shares or directorships held in the Company and details

of all RSUs or any other entitlements to Shares awarded, canceled, exercised, vested, unvested or outstanding in your favor (the "**Data**"). You further understand and acknowledge that the Company and/or its Subsidiaries will transfer Data among themselves as necessary for the purpose of implementation, administration and management of your participation in the Plan and that the Company and/or any Subsidiary may each further transfer Data to any third party assisting the Company in the implementation, administration and management of the Plan. You understand and acknowledge that the recipients of Data may be located in the United States or elsewhere. You authorize such recipients to receive, possess, use, retain and transfer Data, in electronic or other form, for the purpose of administering your participation in the Plan, including a transfer to any broker or other third party with whom you elect to deposit Shares acquired under the Plan of such Data as may be required for the administration of the Plan and/or the subsequent holding of Shares on your behalf. You may, at any time, view the Data, require any necessary modifications of Data or withdraw the consents set forth in this Subsection (g) by contacting the Company in writing.

SECTION 11. DEFINITIONS.

(a) "**Agreement**" means this Restricted Stock Unit Agreement.

(b) "**Board of Directors**" means the Board of Directors of the Company, as constituted from time to time or, if a Committee has been appointed, such Committee.

(c) "**Code**" means the Internal Revenue Code of 1986, as amended.

(d) "**Company**" means Inari Medical, Inc., a Delaware corporation.

(e) "**Date of Grant**" means the date specified in the Notice of Restricted Stock Unit Award, which date shall be the later of (i) the date on which the Board of Directors resolved to grant these RSUs or (ii) your first date of Service.

(f) "**Expiration Date**" means the expiration date of the RSUs as set forth in the Notice of Restricted Stock Unit Award; *provided* that the Expiration Date may be automatically extended under the circumstances specified in the final sentence of Section 4(a).

(g) "**Immediate Family**" means any child, stepchild, grandchild, parent, stepparent, grandparent, spouse, sibling, mother-in-law, father-in-law, son-in-law, daughter-in-law, brother-in-law or sister-in-law and shall include adoptive relationships.

(h) "**IPO**" means the first firm commitment underwritten public offering pursuant to an effective registration statement under the Securities Act covering the offer and sale by the Company of its equity securities, as a result of or following which the Shares shall be publicly held, and "**IPO Date**" means the date on which the IPO occurs.

(i) "**Plan**" means the Company's 2011 Equity Incentive Plan, as in effect on the Date of Grant.

(j) "**Right of First Refusal**" means the Company's right of first refusal described in Section 6.

(k) "**RSUs**" means the Restricted Stock Units granted to you by the Company as set forth in the Notice of Restricted Stock Unit Award.

(l) "**Sale Event**" means the consummation of the following transactions in which holders of Shares receive cash and/or marketable securities tradable on an established national or foreign securities exchange: (i) a sale of all or substantially all of the assets of the Company determined on a consolidated basis to an unrelated person or entity; (ii) a merger, reorganization, or consolidation involving the Company in which the shares of voting stock of the Company outstanding immediately prior to such transaction represent or are converted into or exchanged for securities of the surviving or resulting entity immediately upon completion of such transaction which represent less than 50% of the outstanding voting power of such surviving or resulting entity; or (iii) the acquisition of all or a majority of the outstanding voting stock of the Company in a single transaction or series of related transactions by a person or group of persons. For the avoidance of doubt, an initial public offering, any subsequent public offering, another capital raising event, and a merger effected solely to change the Company's domicile shall not constitute a "Sale Event." In addition, a transaction shall not constitute a Sale Event unless such transaction also qualifies as an event under Treasury Regulation Section 1.409A-3(i)(5)(v) (change in the ownership of a corporation), Treasury Regulation Section 1.409A-3(i)(5)(vi) (change in the effective control of a corporation), or Treasury Regulation Section 1.409A-3(i)(5)(vii) (change in the ownership of a substantial portion of a corporation's assets).

(m) "**Service**" has the meaning set forth in the Plan, *provided that* in the event of any dispute over whether and when Service has terminated, the Board of Directors shall have sole discretion to determine whether such termination has occurred and the effective date of such termination.

(n) "**Service-Based Requirement**" means the requirement to provide Service over the period of time set forth in the Notice of Restricted Stock Unit Award.

(o) "**Short-Term Deferral End Date**" means the date that is the later of (i) two and one-half months following the end of the calendar year in which the Service Date applicable to an RSU occurs or (ii) two and one-half months following the end of the Company's fiscal year in which the Service Date applicable to an RSU occurs.

(p) "**Transferee**" means any person to whom you have directly or indirectly transferred any Shares acquired under this Agreement.

(q) "**Transfer Notice**" means the notice of a proposed transfer of Shares described in Section 6.

(r) "**U.S. Person**" means a person described in Rule 902(k) of Regulation S of the Securities Act (or any successor rule or provision), which generally defines a U.S. person as any natural person resident in the United States, any estate of which any executor or administrator is a U.S. Person, or any trust of which of any trustee is a U.S. Person.

EXHIBIT A

INARI MEDICAL, INC. 2011 EQUITY INCENTIVE PLAN

BENEFICIARY DESIGNATION FOR STOCK UNITS

Name: _____

Employee Number: _____

If I die, any stock units that I hold under the Inari Medical, Inc. 2011 Equity Incentive Plan (the "Plan") are to be transferred to those beneficiaries designated on page 2 who survive me, subject to the provisions of the Plan. The transfer is to be made as follows [*check one box only*]:

☐ Entirely to the spouse to whom I am currently married. [*Please provide name and address on page 2.*] If my spouse does not survive me, payment is to be made to [*check one box only*]:

- ☐ All of my children who survive me in equal shares. [*Please provide names and addresses on page 2.*]
- ☐ All of the persons named on page 2 who survive me in equal shares.

☐ To all of my children who survive me in equal shares. [*Please provide names and addresses on page 2.*]

☐ To all of my siblings who survive me in equal shares. [*Please provide names and addresses on page 2.*]

☐ Entirely to the first person named on page 2 who survives me.

☐ To all of the persons named on page 2 who survive me in equal shares.

☐ Other [*please use a separate sheet if necessary*]:

_____
_____
_____
_____
_____

The term "children" means natural or legally adopted children but excludes stepchildren (if not adopted). The term "siblings" means brothers and sisters, whether natural or adoptive, but excludes stepbrothers and stepsisters.

The names and addresses of my beneficiaries are as follows [*please use a separate sheet if necessary*]:

1. Name: _____ Relationship: _____
   Address: _____
   _____ Telephone: (___) _____

2. Name: _____ Relationship: _____
   Address: _____
   _____ Telephone: (___) _____

3. Name: _____ Relationship: _____
   Address: _____
   _____ Telephone: (___) _____

4. Name: _____ Relationship: _____
   Address: _____
   _____ Telephone: (___) _____

5. Name: _____ Relationship: _____
   Address: _____
   _____ Telephone: (___) _____

This beneficiary designation is to take effect on the date when it is received by the person responsible for administering the Plan at Inari Medical, Inc., and it supersedes any prior designations that I may have made under the Plan.

_____ ___, _____ _____
(Date) (Signature)

Please file this form with Inari Medical, Inc.

Received by: _____
Date of receipt: _____ ___, _____

Exhibit 10.8

Execution Version

INARI MEDICAL, INC.

SIGNATURE BANK

LOAN AND SECURITY AGREEMENT

This **LOAN AND SECURITY AGREEMENT** (this "**Agreement**") is entered into as of December 11, 2019, by and between **SIGNATURE BANK** ("**Bank**") and **INARI MEDICAL, INC.** ("**Borrower**").

RECITALS

Borrower wishes to obtain credit from time to time from Bank, and Bank desires to extend credit to Borrower. This Agreement sets forth the terms on which Bank will advance credit to Borrower, and Borrower will repay the amounts owing to Bank.

AGREEMENT

The parties agree as follows:

1. DEFINITIONS AND CONSTRUCTION.

1.1 Definitions. As used in this Agreement, the following terms shall have the following definitions:

"**Accounts**" means all presently existing and hereafter arising accounts, contract rights, payment intangibles, and all other forms of obligations owing to Borrower arising out of the sale or lease of goods (including, without limitation, the licensing of software and other technology) or the rendering of services by Borrower, whether or not earned by performance, and any and all credit insurance, guaranties, and other security therefor, as well as all merchandise returned to or reclaimed by Borrower and Borrower's Books relating to any of the foregoing.

"**Affiliate**" means, with respect to any Person, any Person that owns or controls directly or indirectly such Person, any Person that controls or is controlled by or is under common control with such Person, and each of such Person's senior executive officers, directors, and partners.

"**Aggregate Borrowing Limit**" means Forty Million Dollars ($40,000,000).

"**Agreement**" has the meaning assigned in the preamble hereof.

"**Ancillary Services**" means any of the following products or services requested by Borrower and provided by Bank under the Formula Revolving Line, including, without limitation, Automated Clearing House transactions, corporate credit card services, FX Contracts, Letters of Credit, controlled disbursement accounts, check cashing services, or other cash management services.

"**Ancillary Services Sublimit**" means a sublimit for Ancillary Services under the Formula Revolving Line not to exceed Two Million Dollars ($2,000,000).

"**Ancillary Services Usage Amount**" means the aggregate of (a) the Letter of Credit Exposure, (b) the aggregate limits of corporate credit card services provided by Bank to Borrower, (c) the total amount of any Automated Clearing House processing reserves, (d) the applicable Foreign Exchange Reserve Percentage, and (e) any other outstanding amount or reserves taken by Bank in connection with other cash management services requested by Borrower and approved by Bank.

"**Bank Expenses**" means all: reasonable and documented out-of-pocket costs or expenses (including reasonable attorneys' fees and expenses) incurred in connection with the preparation, negotiation, administration, and enforcement of the Loan Documents; reasonable Collateral audit fees; and Bank's reasonable and documented out-of-pocket attorneys' fees and expenses incurred in amending, enforcing, or defending the Loan Documents (including fees and expenses of appeal), incurred before, during, and after an Insolvency Proceeding, whether or not suit is brought.

"**Borrower's Books**" means all of Borrower's books and records including: ledgers; records concerning Borrower's assets or liabilities, the Collateral, business operations or financial condition; and all computer programs, or tape files, and the equipment, containing such information.

"**Borrowing Base**" means an amount equal to eighty percent (80%) of Eligible Accounts, as determined by Bank with reference to the most recent Borrowing Base Certificate delivered by Borrower; provided, however, that Bank has the right to decrease the foregoing percentages in its Permitted Discretion to mitigate the impact of events, conditions, contingencies, or risks which may adversely affect the Collateral or its value.

"**Business Day**" means any day that is not a Saturday, Sunday, or other day on which banks in the State of New York are authorized or required to close.

"**CFC**" means (a) a controlled foreign corporation within the meaning of Section 957 of the IRC in which any Loan Party is a "United States shareholder" within the meaning of Section 951(b) of the IRC and (b) any Subsidiary whose sole assets (other than a *de minimis* amount) are equity of one (1) or more entities described in clause (a) of this definition, in each case of clauses (a) and (b), with respect to which Borrower shall have made a determination, in its reasonable judgment, that a guaranty by, grant of a Lien by, or pledge of two-thirds or more of the voting equity interests of such Subsidiary would result in material incremental income tax liability as a result of the application of Section 956 of the IRC, taking into account actual anticipated repatriation of funds, foreign tax credits, and other relevant factors.

"**Change in Control**" means a transaction in which any "person" or "group" (within the meaning of Sections 13(d) and 14(d)(2) of the Securities Exchange Act of 1934) becomes the "beneficial owner" (as defined in Rule 13d-3 under the Securities Exchange Act of 1934), directly or indirectly, of a sufficient number of shares of all classes of stock then outstanding of Borrower ordinarily entitled to vote in the election of directors, empowering such "person" or "group" to elect a majority of the Board of Directors of Borrower, who did not have such power before such transaction.

"**Client Reporting File**" means that certain Client Reporting File provided to Borrower by Bank in connection with the execution hereof, as may be amended from time to time.

"**Closing Date**" means the date of this Agreement.

"**Code**" means the New York Uniform Commercial Code.

"**Collateral**" means the property described on **Exhibit A** attached hereto provided, that the Collateral shall not include (a) more than sixty-five percent (65%) of the stock, units, or other evidence of ownership of any CFC if the pledge of two-thirds or more of the voting equity interests of such Subsidiary would result in material incremental income tax liability as a result of the application of Section 956 of the IRC, taking into account actual anticipated repatriation of funds, foreign tax credits, and other relevant factors (b) any interest of a Loan Party as a lessee or sublessee under a real property lease, (c) rights held under a license or other agreement that are not assignable by their terms without the consent of the licensor thereof (but only to the extent such restriction on assignment is enforceable under applicable law), (d) any interest of a Loan Party as a lessee under an Equipment lease if such Loan Party is prohibited by the terms of such lease from granting a security interest in such lease or under which such an assignment or Lien would cause a default to occur under such lease; provided, however, that upon termination of such prohibition, such interest shall immediately become Collateral without any action by such Loan Party or Bank, or (e) any Equipment not financed by Bank or rights of a Loan Party as a licensee to the extent the granting of a security interest therein (i) would be contrary to applicable law or (ii) is prohibited by or would constitute a default under any agreement or document governing such property (but only to the extent such prohibition is enforceable under applicable law); provided that upon the termination or lapsing of any such prohibition, such property shall automatically be part of the Collateral; and provided further that the provisions of this paragraph shall in no case exclude from the definition of "Collateral" any Accounts, proceeds of the disposition of any property, or general intangibles consisting of rights to payment, all of which shall at all times constitute "Collateral".

"**Contingent Obligation**" means, as applied to any Person, any direct or indirect liability, contingent or otherwise, of that Person with respect to (a) any indebtedness, lease, dividend, letter of credit, or other obligation of another; (b) any obligations with respect to undrawn letters of credit, corporate credit cards, or merchant services issued or provided for the account of that Person; and (c) all obligations arising under any agreement or arrangement designed to protect such Person against fluctuation in interest rates, currency exchange rates, or commodity prices; provided, however, that the term "Contingent Obligation" shall not include endorsements for collection or deposit in the ordinary course of business. The amount of any Contingent Obligation shall be deemed to be an amount equal to

the stated or determined amount of the primary obligation in respect of which such Contingent Obligation is made or, if not stated or determinable, the maximum reasonably anticipated liability in respect thereof as determined by Bank in good faith; provided, however, that such amount shall not in any event exceed the maximum amount of the obligations under the guarantee or other support arrangement.

"**Copyrights**" means any and all copyright rights, copyright applications, copyright registrations, and like protections in each work or authorship and derivative work thereof.

"**Credit Extension**" means each Formula Revolving Advance, Term Loan Advance, use of the Ancillary Services, or any other extension of credit by Bank for the benefit of Borrower hereunder.

"**Daily Balance**" means the amount of the Obligations owed at the end of a given day.

"**Eligible Accounts**" means those Accounts that arise in the ordinary course of Borrower's business that comply with all of Borrower's representations and warranties to Bank set forth in Section 5.4; provided, that standards of eligibility may be fixed and revised from time to time by Bank in Bank's reasonable judgment and upon notification thereof to Borrower in accordance with the provisions hereof. Unless otherwise agreed to by Bank, Eligible Accounts shall not include the following:

(a) Accounts that the account debtor has failed to pay within ninety (90) days of invoice date;

(b) Accounts with respect to an account debtor, twenty-five percent (25%) of whose Accounts the account debtor has failed to pay within ninety (90) days of invoice date;

(c) Accounts with respect to which the account debtor is an officer, employee, or agent of Borrower;

(d) Accounts with respect to which goods are placed on consignment, guaranteed sale, sale or return, sale on approval, bill and hold, demo or promotional, or other terms by reason of which the payment by the account debtor may be conditional;

(e) Prebillings, prepaid deposits, retention billings, unbilled, or progress billings;

(f) Accounts with respect to which the account debtor is an Affiliate of Borrower;

(g) Accounts with respect to which the account debtor does not have its principal place of business in the United States, except for Eligible Foreign Accounts;

(h) Accounts with respect to which the account debtor is the United States or any department, agency, or instrumentality of the United States (other than the United States Department of Veterans Affairs), except where such accounts are backed by an assignment of claims in which case Bank may, in its Permitted Discretion, approve inclusion of such accounts on a case by case basis;

(i) Accounts with respect to which Borrower is liable to the account debtor for goods sold or services rendered by the account debtor to Borrower or for deposits or other property of the account debtor held by Borrower, but only to the extent of any amounts owing to the account debtor against amounts owed to Borrower;

(j) Accounts with respect to an account debtor, including Subsidiaries and Affiliates, whose total obligations to Borrower exceed twenty-five percent (25%) of all Accounts, to the extent such obligations exceed the aforementioned percentage, except as approved in writing by Bank;

(k) with respect to which the account debtor disputes liability or makes any claim with respect thereto as to which Bank believes, in its sole discretion, that there may be a basis for dispute (but only to the extent of the amount subject to such dispute or claim), or is subject to any Insolvency Proceeding, or becomes insolvent, or goes out of business; and

(l) Accounts the collection of which Bank reasonably determines to be doubtful.

"**Eligible Foreign Accounts**" means Accounts with respect to which the account debtor does not have its principal place of business in the United States and that (a) are supported by one (1) or more letters of credit in an amount and of a tenor, and issued by a financial institution, acceptable to Bank, or (b) that Bank approves on a case-by-case basis.

"**Equipment**" means all present and future machinery, equipment, tenant improvements, furniture, fixtures, vehicles, tools, parts, and attachments in which Borrower has any interest.

"**ERISA**" means the Employee Retirement Income Security Act of 1974, as amended, and the regulations thereunder.

"**Event of Default**" has the meaning assigned in Article 8.

"**Excluded Accounts**" means any account used solely for payroll, payroll taxes, employee wage and benefit payments, and other employee wage and benefit payments to and for the benefit of Borrower's or any Subsidiary's employees and identified to Bank by Borrower as such.

"**First Interest Only Extension Milestone**" means Borrower achieving at least One Hundred Million Dollars ($100,000,000) of trailing twelve (12) month Revenue as of or prior to the period ending November 30, 2021, as determined by Bank with reference to the financial information delivered to Bank under Section 6.3.

"**Foreign Exchange Reserve Percentage**" means a percentage of reserves for FX Contracts as determined by Bank, in its reasonable discretion from time to time. The initial Foreign Exchange Reserve Percentage shall be ten percent (10%).

"**Formula Revolving Advance**" or "**Formula Advances**" means a cash advance or cash advances under the Formula Revolving Line.

"**Formula Revolving Line**" means one (1) or more credit extensions of up to an aggregate principal amount of Fifteen Million Dollars ($15,000,000) (inclusive of the Ancillary Services Sublimit).

"**Formula Revolving Line Maturity Date**" means December 11, 2022; provided however, if Borrower, prior to December 11, 2022, receives at least Seventy Five Million Dollars ($75,000,000) of gross proceeds from an initial public offering of its equity securities effectuated pursuant to an effective registration statement filed under the Securities Act of 1933, as amended, Formula Revolving Line Maturity Date shall mean December 11, 2024.

"**FX Contracts**" means contracts between Borrower and Bank for foreign exchange transactions.

"**GAAP**" means generally accepted accounting principles as in effect from time to time.

"**Indebtedness**" means (a) all indebtedness for borrowed money or the deferred purchase price of property or services, including without limitation reimbursement and other obligations with respect to surety bonds and letters of credit, (b) all obligations evidenced by notes, bonds, debentures or similar instruments, (c) all capital lease obligations, and (d) all Contingent Obligations.

"**Insolvency Proceeding**" means any proceeding commenced by or against any person or entity under any provision of the United States Bankruptcy Code, as amended, or under any other bankruptcy or insolvency law, including assignments for the benefit of creditors, formal or informal moratoria, compositions, extension generally with its creditors, or proceedings seeking reorganization, arrangement, or other relief.

"**Intellectual Property**" means all of Borrower's right, title, and interest in and to the following: Copyrights, Trademarks, and Patents; all trade secrets, all design rights, claims for damages by way of past, present and future infringement of any of the rights included above, all licenses or other rights to use any of the Copyrights, Patents or Trademarks, and all license fees and royalties arising from such use to the extent permitted by such license or rights; all amendments, renewals, and extensions of any of the Copyrights, Trademarks, or Patents; and all proceeds and products of the foregoing, including without limitation all payments under insurance or any indemnity or warranty payable in respect of any of the foregoing.

"**Inventory**" means all inventory in which Borrower has or acquires any interest, including work in process and finished products intended for sale or lease or to be furnished under a contract of service, of every kind and description now or at any time hereafter owned by or in the custody or possession, actual or constructive, of Borrower, including such inventory as is temporarily out of its custody or possession or in transit and including any returns upon any accounts or other proceeds, including insurance proceeds, resulting from the sale or disposition of any of the foregoing and any documents of title representing any of the above, and Borrower's Books relating to any of the foregoing.

"**Investment**" means any beneficial ownership of (including stock, partnership interest, or other securities) any Person, or any loan, advance or capital contribution to any Person.

"**Investment Collateral**" means money, cash and cash equivalents, cash proceeds, securities, security entitlements and other investment property, deposit accounts, securities accounts and other similar collateral.

"**IRC**" means the Internal Revenue Code of 1986, as amended, and the regulations thereunder.

"**Letter of Credit**" or "**Letters of Credit**" means a commercial or standby letter of credit or similar undertaking issued by Bank (or any of its correspondent banks) at Borrower's request.

"**Letter of Credit Exposure**" means, as of any date of determination, the sum, without duplication, of (a) the aggregate undrawn amount of all outstanding Letters of Credit and any obligations of Bank related to purchased participations or indemnity or reimbursement obligations with respect to Letters of Credit, plus (b) the aggregate unreimbursed amount of all drawn Letters of Credit until such amount becomes an Advance under the terms of this Agreement.

"**Lien**" means any mortgage, lien, deed of trust, charge, pledge, security interest, or other encumbrance.

"**Loan Documents**" means, collectively, this Agreement, any note or notes executed by Borrower, and any other agreement entered into in connection with this Agreement, all as amended or extended from time to time.

"**Loan Parties**" means Borrower and each Subsidiary that becomes a co-borrower hereunder or a secured guarantor of the Obligations, in each case, in accordance with Section 6.10.

"**Material Adverse Effect**" means the occurrence of any circumstance which would be reasonably likely to have a material adverse effect on (a) the operations, business, or financial condition of Borrower and its Subsidiaries taken as a whole, (b) the ability of Borrower to repay the Obligations or otherwise perform its obligations under the Loan Documents, or (c) Borrower's interest in, or the value, perfection, or priority of Bank's security interest in the Collateral.

"**Negotiable Collateral**" means all letters of credit of which Borrower is a beneficiary, notes, drafts, instruments, securities, documents of title, and chattel paper, and Borrower's Books relating to any of the foregoing.

"**New Subsidiary**" has the meaning assigned in Section 6.10.

"**Obligations**" means all debt, principal, interest, Bank Expenses, and other amounts owed to Bank by Borrower pursuant to this Agreement or any other agreement, whether absolute or contingent, due or to become due, now existing or hereafter arising, including any interest that accrues after the commencement of an Insolvency Proceeding and including any debt, liability, or obligation owing from Borrower to others that Bank may have obtained by assignment or otherwise. Notwithstanding the foregoing, "Obligations" shall not include any warrant or equity-related investments.

"**Patents**" means all patents, patent applications, and like protections, including without limitation improvements, divisions, continuations, renewals, reissues, extensions, and continuations-in-part of the same.

"**Periodic Payments**" means all installments or similar recurring payments that Borrower may now or hereafter become obligated to pay to Bank pursuant to the terms and provisions of any instrument, or agreement now or hereafter in existence between Borrower and Bank.

"**Permitted Discretion**" means Bank's reasonable credit judgment (from the perspective of an asset-based lender and venture debt lender) exercised in good faith in accordance with customary business practices for similar asset-based lending and venture debt facilities.

"**Permitted Indebtedness**" means:

(a) Indebtedness of Borrower in favor of Bank arising under this Agreement or any other Loan Document;

(b) Indebtedness existing on the Closing Date and disclosed in the Schedule and any extensions, renewals, refinancings and replacements of any such Indebtedness; provided that (i) such extension, renewal, refinancing or replacement shall not, except to the extent applicable only to periods after the Term Loan Maturity Date, (A) increase the outstanding principal amount of the Indebtedness being extended, renewed, refinanced or replaced, (B) contain terms relating to outstanding principal amount, amortization, maturity, collateral security (if any) or subordination (if any), or other material terms that, taken as a whole, are less favorable in any material respect to the Borrowers or the Bank than the terms of any agreement or instrument governing the Indebtedness being refinanced, (C) have an applicable interest rate or equivalent yield that exceeds the interest rate or equivalent yield of the Indebtedness being refinanced, or (D) contain any new requirement to grant any Lien or to give any guarantee that was not an existing requirement of the Indebtedness being refinanced and (ii) after giving effect to such extension, renewal, refinancing or replacement, no Event of Default shall have occurred (or could reasonably be expected to occur) as a result thereof;

(c) Indebtedness secured by a lien described in clause (c) of the defined term "Permitted Liens," provided (i) such Indebtedness does not exceed the lesser of the cost or fair market value of the equipment financed with such Indebtedness and (ii) such Indebtedness does not exceed One Million Dollars ($1,000,000) in the aggregate at any given time;

(d) Subordinated Debt;

(e) Indebtedness to trade creditors and other unsecured accounts payable incurred in the ordinary course of business;

(f) Indebtedness under corporate credit cards provided by financial institutions other than Bank used in the ordinary course of business not to exceed Three Hundred Fifty Thousand Dollars ($350,000);

(g) Indebtedness owing by Borrower or one of its Subsidiaries to Borrower or one of its Subsidiaries; provided that, any such Indebtedness that is owing by a Loan Party to a Subsidiary that is not a Loan Party, such Indebtedness shall not exceed One Million Dollars ($1,000,000) in the aggregate at any time outstanding; and

(h) other Indebtedness at any time outstanding not to exceed Five Hundred Thousand Dollars ($500,000) in the aggregate.

"**Permitted Investment**" means:

(a) Investments existing on the Closing Date disclosed in the Schedule;

(b) (i) marketable direct obligations issued or unconditionally guaranteed by the United States of America or any agency or any state thereof maturing within one (1) year from the date of acquisition thereof, (ii) commercial paper maturing no more than one (1) year from the date of creation thereof and currently having a rating of at least A-2 or P-2 from either Standard & Poor's Corporation or Moody's Investors Service, (iii) certificates of deposit maturing no more than one (1) year from the date of investment therein issued by Bank, and (iv) Bank's money market accounts;

(c) Investments consisting of the endorsement of negotiable instruments for deposit or collection or similar transactions in the ordinary course of business;

(d) Investments consisting of deposit accounts maintained with Bank or that are subject to a control agreement with Bank in form and substance reasonably satisfactory to Bank (unless such a control agreement is not required under Section 7.7);

(e) Investments in connection with Transfers permitted by Section 7.1;

(f) Investments (including debt obligations) received in connection with the bankruptcy or reorganization of customers or suppliers and in settlement of delinquent obligations of, and other disputes with, customers or suppliers arising in the ordinary course of business;

(g) Investments by Borrower or one of its Subsidiaries in Borrower or one of its Subsidiaries; provided that, any such Investments by a Loan Party in a Subsidiary that is not a Loan Party shall not exceed One Million Dollars ($1,000,000) in the aggregate (for the avoidance of doubt, the amount of an Investment constituting intercompany Indebtedness shall be the principal amount at any time outstanding);

(h) other Investments at any time outstanding not to exceed Five Hundred Thousand Dollars ($500,000) in the aggregate.

"**Permitted Liens**" means the following:

(a) Any Liens existing on the Closing Date and disclosed in the Schedule or arising under this Agreement or the other Loan Documents;

(b) Liens for taxes, fees, assessments, or other governmental charges or levies, either not delinquent or being contested in good faith by appropriate proceedings and with respect to which adequate reserves are maintained on the books of the applicable Loan Party or Subsidiary in conformity with GAAP;

(c) Liens (i) upon or in any Equipment which was not financed by Bank acquired or held by Borrower or any of its Subsidiaries to secure the purchase price of such Equipment or Indebtedness incurred solely for the purpose of financing the acquisition of such Equipment, or (ii) existing on such Equipment at the time of its acquisition, provided that the Lien is confined solely to the property so acquired and improvements thereon, and the proceeds of such Equipment;

(d) leases or subleases of real property granted in the ordinary course of business, and leases, subleases, non-exclusive licenses or sublicenses of personal property (other than Intellectual Property) granted in the ordinary course of business, if the leases, subleases, licenses and sublicenses do not prohibit granting Bank a security interest therein;

(e) Liens of carriers, warehousemen, suppliers, or other Persons that are possessory in nature arising in the ordinary course of business so long as such Liens attach only to Inventory, securing liabilities in the aggregate amount not to exceed One Hundred Thousand Dollars ($100,000) and which are not delinquent or remain payable without penalty or which are being contested in good faith and by appropriate proceedings which proceedings have the effect of preventing the forfeiture or sale of the property subject thereto;

(f) Liens to secure payment of workers' compensation, employment insurance, old-age pensions, social security and other like obligations incurred in the ordinary course of business (other than Liens imposed by ERISA);

(g) non-exclusive licenses of Intellectual Property granted to third parties in the ordinary course of business;

(h) Liens arising from attachments or judgments, orders, or decrees in circumstances not constituting an Event of Default under Section 8.4 or Section 8.7;

(i) with respect to depository and operating accounts permitted to be maintained with financial institutions other than Bank in accordance with Section 6.7 and for which Bank has a control agreement in form and substance reasonably satisfactory to Bank (unless such a control agreement is not required under Section 7.7), Liens (i) of a collection bank arising under Section 4-210 of the Uniform Commercial Code or any comparable or successor provision on items in the course of collection, (ii) attaching to commodity trading accounts or other commodity brokerage accounts incurred in the ordinary course of business, and (iii) in favor of banking or other financial institutions or other electronic payment service providers arising as a matter of law encumbering deposits (including the right of set-off) and which are within the general parameters customary in the banking or finance industry;

(j) Liens incurred in connection with the extension, renewal or refinancing of the indebtedness secured by Liens of the type described in clauses (a) through (i) above, provided that any extension, renewal or replacement Lien shall be limited to the property encumbered by the existing Lien and the principal amount of the indebtedness being extended, renewed, or refinanced does not increase; and

(k) purchase money Liens at any time outstanding securing Indebtedness or other obligations not to exceed Five Hundred Thousand Dollars ($500,000) in the aggregate.

"**Person**" means any individual, sole proprietorship, partnership, limited liability company, joint venture, trust, unincorporated organization, association, corporation, institution, public benefit corporation, firm, joint stock company, estate, entity, or governmental agency.

"**Prime Rate**" means the variable rate of interest, per annum, most recently announced by Bank, as its "prime rate," whether or not such announced rate is the lowest rate available from Bank.

"**Reg W Affiliate**" means an "affiliate" as such term is set forth in Section 23A(b)(1) of the Federal Reserve Act (12 USC 371c).

"**Responsible Officer**" means each of the Chief Executive Officer, the Chief Operating Officer, the Chief Financial Officer, and the Controller of Borrower, as well as any other officer or employee identified as an Authorized Officer in the corporate resolution delivered by Borrower to Bank in connection with this Agreement.

"**Revenue**" means revenue recognized in accordance with GAAP.

"**Schedule**" means the schedule of exceptions attached hereto and approved by Bank, if any.

"**Second Interest Only Extension Milestone**" means Borrower achieving at least One Hundred Thirteen Million Dollars ($113,000,000) of trailing twelve (12) month Revenue as of or prior to the period ending June 30, 2022, as determined by Bank with reference to the financial information delivered to Bank under Section 6.3

"**Shares**" means one hundred percent (100%) of the issued and outstanding capital stock, membership units, general partnership interest, or other securities owned or held of record by Borrower directly in any Person; provided however, Shares shall not include the equity interests described in clause (a) of the definition of "Collateral".

"**Subordinated Debt**" means any debt incurred by Borrower that is subordinated to the debt owing by Borrower to Bank on terms reasonably acceptable to Bank in its Permitted Discretion (and identified as being such by Borrower and Bank).

"**Subsidiary**" means any corporation, company, or partnership in which (a) any general partnership interest or (b) more than 50% of the stock or other units of ownership which by the terms thereof has the ordinary voting power to elect the Board of Directors, managers, or trustees of the entity, at the time as of which any determination is being made, is owned by Borrower, either directly or through an Affiliate.

"**Term Loan Advances**" means the Term Loan Tranche 1 Advance and/or any Term Loan Tranche 2 Advances.

"**Term Loan Interest Only End Date**" means December 11, 2021; provided however, if Borrower achieves the First Interest Only Extension Milestone, Term Loan Interest Only End Date shall mean June 11, 2022, and if Borrower achieves the Second Interest Only Extension Milestone, Term Loan Interest Only End Date shall mean December 11, 2022.

"**Term Loan Maturity Date**" means December 11, 2024.

"**Term Loan Tranche 1**" means a credit extension of up to Fifteen Million Dollars ($15,000,000).

"**Term Loan Tranche 1 Advance**" means a cash advance as provided under Section 2.1(b)(i).

"**Term Loan Tranche 2**" means a credit extension of up to Ten Million Dollars ($10,000,000).

"**Term Loan Tranche 2 Advance**" means a cash advance as provided under Section 2.1(b)(ii).

"**Term Loan Tranche 2 Availability End Date**" means December 31, 2020.

"**Term Loan Tranche 2 Milestone**" means Borrower achieving at least Sixty Million Dollars ($60,000,000) of trailing twelve (12) month Revenue as of or prior to the period ending August 31, 2020, as determined by Bank with reference to the financial information delivered to Bank under Section 6.3.

"**Trademarks**" means any trademark and service mark rights, whether registered or not, applications to register and registrations of the same and like protections, and the entire goodwill of the business of Borrower connected with and symbolized by such trademarks.

1.2 Accounting Terms. All accounting terms not specifically defined herein shall be construed in accordance with GAAP and all calculations made hereunder shall be made in accordance with GAAP. When used herein, the terms "financial statements" shall include the notes and schedules thereto.

2. LOAN AND TERMS OF PAYMENT.

2.1 Credit Extensions.

Borrower promises to pay to the order of Bank, in lawful money of the United States of America, the aggregate unpaid principal amount of all Credit Extensions made by Bank to Borrower hereunder. Borrower shall also pay interest on the unpaid principal amount of such Credit Extensions at rates in accordance with the terms hereof.

(a) Formula Revolving Advances.

(i) Formula Revolving Line. Subject to and upon the terms and conditions of this Agreement, Borrower may request Formula Revolving Advances in an aggregate outstanding amount not to exceed the lesser of (A) the Formula Revolving Line or (B) the Borrowing Base, minus, in each case, the Ancillary Services Usage Amount. Subject to the terms and conditions of this Agreement, amounts borrowed pursuant to this Section 2.1(a) may be repaid and reborrowed at any time prior to the Formula Revolving Line Maturity Date, interest hereunder shall be due and payable on the 11th calendar day each month during the term hereof and on the Formula Revolving Line Maturity Date, and all Formula Revolving Advances under this Section 2.1(a) shall be immediately due and payable on the Formula Revolving Line Maturity Date. Borrower may prepay any Formula Revolving Advances without penalty or premium.

(ii) Advance Request Form. Whenever Borrower desires a Formula Revolving Advance, Borrower will notify Bank no later than 12:00 p.m. Eastern time, on the Business Day that the Formula Revolving Advance is to be made. Each such notification shall be made (A) by telephone or in-person followed by written confirmation from Borrower within 24 hours, (B) by electronic mail or facsimile transmission, or (C) by delivering to Bank a Revolving Advance Request Form in substantially the form set forth in the Client Reporting File. Bank is authorized to make Formula Revolving Advances under this Agreement, based upon instructions received from a Responsible Officer or a designee of a Responsible Officer, or without instructions if in Bank's discretion such Formula Revolving Advances are necessary to meet Obligations which have become due and remain unpaid. Bank shall be entitled to rely on any notice given by a person who Bank reasonably believes to be a Responsible Officer or a designee thereof, and Borrower shall indemnify and hold Bank harmless for any damages or loss suffered by Bank as a result of such reliance. Bank will credit the amount of Formula Revolving Advances made under this Section 2.1(a) to Borrower's deposit account.

(iii) Ancillary Services Sublimit. Subject to the terms and conditions of this Agreement and availability under the Formula Revolving Line and the Borrowing Base, at any time and from time to time from the date hereof through the Business Day immediately prior to the Formula Revolving Line Maturity Date, Borrower may request the provision of Ancillary Services from Bank. The aggregate limit of the Ancillary Services shall not exceed the Ancillary Services Sublimit, provided that availability under the Formula Revolving Line shall be reduced by the Ancillary Services Usage Amount. In addition, Bank may, in its sole discretion, charge as Formula Revolving Advances any amounts that become due or owing to Bank or for which Bank becomes liable in connection with the provision of the Ancillary Services, including, without limitation, the unreimbursed amount on any drawn but unreimbursed Letter of Credit. The terms and conditions of such Ancillary Services shall be subject to the terms and conditions of Bank's standard forms of application and agreement for the applicable Ancillary Services, including without limitation, Bank's form of standard application and letter of credit agreement (the "**Application**"), which Borrower hereby agrees to execute. Borrower shall pay Bank's standard fees in connection with Ancillary Services, including without limitation, Letter of Credit fees set forth in the Application and fees that Bank notifies Borrower it will be charging for issuing and processing FX Contracts. All Letters of Credit shall be, in form and substance, acceptable to Bank in its sole discretion. The obligation of Borrower to reimburse Bank for drawings made under Letters of Credit shall be absolute, unconditional, and irrevocable, and shall be performed strictly in accordance with the terms of this Agreement, the Application, and such Letters of Credit, under all circumstances whatsoever. Borrower shall indemnify, defend, protect, and hold Bank harmless from any loss, cost, expense or liability, including, without limitation, reasonable and documented out-of-pocket attorneys' fees (each, an "**Expense**"), arising out of or in connection with any Letters of Credit, except for Expenses caused by Bank's bad faith, gross negligence or willful misconduct.

(iv) Collateralization of Obligations Extending Beyond Maturity. Borrower shall take such actions as Bank may reasonably request to cause its Obligations with respect to any Ancillary Services to be secured to Bank's satisfaction as of the Formula Revolving Line Maturity Date or as of such earlier date the Formula Revolving Line is terminated or otherwise ceases to exist, and, effective as of such date, the balance in any of Borrower's deposit accounts held by Bank and the certificates of deposit or time deposit accounts issued by Bank in Borrower's name (and any interest paid thereon or proceeds thereof, including any amounts payable upon the maturity or liquidation of such certificates or accounts) shall automatically secure such Obligations to the extent of the then continuing or outstanding Ancillary Services. Borrower authorizes Bank to hold such balances in pledge and to decline to honor any drafts thereon or any requests by Borrower or any other Person to pay or otherwise transfer any part of such balances for so long as the applicable Ancillary Services are outstanding or continue.

(b) Term Loan Advances.

(i) Term Loan Tranche 1. Subject to and upon the terms and conditions of this Agreement, on the Closing Date, Bank agrees to make one (1) Term Loan Tranche 1 Advance to Borrower in an amount equal to the Term Loan Tranche 1. Interest shall accrue from the date of the Term Loan Tranche 1 Advance at the rate specified in Section 2.3, and shall be payable monthly on the 11th day of each month so long as the Term Loan Tranche 1 Advance is outstanding. If any of the Term Loan Tranche 1 Advance is outstanding on the Term Loan Interest Only End Date, it shall be payable in (A) thirty six (36), (B) thirty (30) (if Borrower achieves the First Interest Only Milestone), or (C) twenty four (24) (if Borrower achieves the Second Interest Only Milestone), equal monthly installments of principal, plus all accrued interest, beginning on the date that is one (1) month after the Term Loan Interest Only End Date, and continuing on the same day of each month thereafter through the Term Loan Maturity Date, at which time all amounts owing under this Section 2.1(b) and any other amounts owing under this Agreement shall be immediately due and payable. The Term Loan Tranche 1 Advance, once repaid, may not be reborrowed. Borrower may prepay the Term Loan Tranche 1 Advance without penalty or premium. Whenever any payment to be made hereunder shall be stated to be due on a day that is not a Business Day, such payment shall be made on the next succeeding Business Day.

(ii) Term Loan Tranche 2. Subject to and upon the terms and conditions of this Agreement, at any time from the date on which Borrower achieves the Term Loan Tranche 2 Milestone through the Term Loan Tranche 2 Availability End Date, Bank agrees to make one (1) or more Term Loan Tranche 2 Advances to Borrower in an aggregate amount not to exceed the Term Loan Tranche 2. Interest shall accrue from the date of

each Term Loan Tranche 2 Advance at the rate specified in Section 2.3, and shall be payable monthly on the 11th day of each month so long as any Term Loan Tranche 2 Advances are outstanding. If any Term Loan Tranche 2 Advance is outstanding on the Term Loan Interest Only End Date, it shall be payable in (A) thirty six (36), (B) thirty (30) (if Borrower achieves the First Interest Only Milestone), or (C) twenty four (24) (if Borrower achieves the Second Interest Only Milestone), equal monthly installments of principal, plus all accrued interest, beginning on the date that is one (1) month after the Term Loan Interest Only End Date, and continuing on the same day of each month thereafter through the Term Loan Maturity Date, at which time all amounts owing under this Section 2.1(b) and any other amounts owing under this Agreement shall be immediately due and payable. Term Loan Tranche 2 Advances, once repaid, may not be reborrowed. Borrower may prepay any Term Loan Tranche 2 Advances without penalty or premium. Whenever any payment to be made hereunder shall be stated to be due on a day that is not a Business Day, such payment shall be made on the next succeeding Business Day.

(iii) Advance Request Form. When Borrower desires to obtain a Term Loan Tranche 2 Advance, Borrower shall notify Bank (which notice shall be irrevocable) by electronic mail or facsimile transmission to be received no later than 12:00 p.m. Eastern time three (3) Business Days before the day on which the Term Loan Tranche 2 Advance is to be made. Such notice shall be substantially in the form set forth in the Client Reporting File. The notice shall be signed by a Responsible Officer or its designee.

2.2 Aggregate Borrowing Limit; Overadvances. At no time will the aggregate outstanding Credit Extensions exceed the Aggregate Borrowing Limit. If (a) the aggregate amount of the outstanding Formula Revolving Advances plus the Ancillary Services Usage Amount exceeds the lesser of the Formula Revolving Line or the Borrowing Base at any time, (b) the Ancillary Services Usage Amount exceeds the Ancillary Services Sublimit at any time, (c) the aggregate amount of the outstanding Term Loan Tranche 1 Advances plus the aggregate amount of any outstanding Term Loan Tranche 2 Advances exceeds the Term Loan at any time, or (d) if the aggregate amount of Credit Extensions exceeds the Aggregate Borrowing Limit at any time, Borrower shall immediately pay to Bank, in cash, the amount of such excess.

2.3 Interest Rates, Payments, and Calculations.

(a) Interest Rates.

(i) Formula Revolving Advances. Except as set forth in Section 2.3(b), the Formula Revolving Advances shall bear interest, on the outstanding Daily Balance thereof, at a rate equal to the greater of (A) the Prime Rate or (B) five percent (5%).

(ii) Term Loan Advances. Except as set forth in Section 2.3(b), the Term Loan Advances shall bear interest, on the outstanding Daily Balance thereof, at a rate equal to the greater of (A) one half of one percent (0.50%) above the Prime Rate or (B) five and one half percent (5.50%).

(b) Late Fee; Default Rate. If any payment is not made within ten (10) days after the date such payment is due, Borrower shall pay Bank a late fee equal to the lesser of (a) five percent (5%) of the amount of such unpaid amount or (b) the maximum amount permitted to be charged under applicable law, not in any case to be less than Twenty-Five Dollars ($25.00). All Obligations shall bear interest, from and after the occurrence and during the continuance of an Event of Default, at a rate equal to five (5) percentage points above the interest rate applicable immediately prior to the occurrence of the Event of Default.

(c) Payments. Bank shall, at its option, charge such interest, all Bank Expenses and all Periodic Payments against any of Borrower's deposit accounts, or against the Formula Revolving Line, in which case those amounts shall thereafter accrue interest at the rate then applicable hereunder. Any interest not paid when due shall be compounded by becoming a part of the Obligations, and such interest shall thereafter accrue interest at the rate then applicable hereunder. Provided that Bank delivers a properly executed Internal Revenue Service Form W-9, all payments shall be free and clear of any taxes, withholdings, duties, impositions or other charges to the end that Bank will receive the entire amount of any Obligations payable hereunder. If any applicable law requires the deduction or withholding of any tax from any such payment, then Borrower, as the withholding agent, shall be entitled to make such deduction or withholding and shall timely pay the full amount deducted or withheld to the relevant governmental authority in accordance with applicable law and thereafter, the sum payable by the Borrower shall be increased as necessary so that after such deduction or withholding has been made (including such deductions and

withholdings applicable to additional sums payable under this Section 2.3(c)) the Bank receives an amount equal to the sum it would have received had no such deduction or withholding been made; provided, however, that Borrower shall not be required to increase any sum payable as a result of (i) any tax that is imposed on the Bank's net income, (ii) any tax imposed as a result of a present or former connection between the Bank and the jurisdiction imposing such tax (other than connections arising solely from Bank becoming a party to this Agreement), or (iii) any tax that results from the Bank's failure to timely deliver a properly executed Internal Revenue Service Form W-9 (collectively, the "**Excluded Taxes**").

(d) Computation. In the event the Prime Rate is changed from time to time hereafter, the applicable rate of interest hereunder shall be increased or decreased, effective as of the day the Prime Rate is changed, by an amount equal to such change in the Prime Rate. All interest chargeable under the Loan Documents shall be computed on the basis of a three hundred sixty (360) day year for the actual number of days elapsed.

2.4 Crediting Payments. Prior to the occurrence of an Event of Default, Bank shall credit a wire transfer of funds, check, or other item of payment to such deposit account or Obligation as Borrower specifies. After the occurrence and during the continuance of an Event of Default, the receipt by Bank of any wire transfer of funds, check, or other item of payment shall be immediately applied to conditionally reduce Obligations, but shall not be considered a payment on account unless such payment is of immediately available federal funds or unless and until such check or other item of payment is honored when presented for payment. Notwithstanding anything to the contrary contained herein, any wire transfer or payment received by Bank after 12:00 noon Eastern time shall be deemed to have been received by Bank as of the opening of business on the immediately following Business Day. Whenever any payment to Bank under the Loan Documents would otherwise be due (except by reason of acceleration) on a date that is not a Business Day, such payment shall instead be due on the next Business Day, and additional fees or interest, as the case may be, shall accrue and be payable for the period of such extension.

2.5 Fees. Borrower shall pay to Bank the following:

(a) Facility Fee. On the Closing Date, a Facility Fee equal to Fifty Thousand Dollars ($50,000), which shall be nonrefundable;

(b) Bank Expenses. On the Closing Date, all Bank Expenses incurred through the Closing Date, including reasonable attorneys' fees and expenses and, after the Closing Date, all Bank Expenses, including reasonable attorneys' fees and expenses, as and when they are incurred by Bank; and

(c) Final Payment Fee. On the earlier of the Term Loan Maturity Date, the prepayment of all Credit Extensions, or the date the Obligations become due and payable, a Final Payment Fee equal to (i) One Hundred Fifty Thousand Dollars ($150,000) plus (ii) an additional amount equal to 1.00% of the aggregate amount of Term Loan Tranche 2 Advances made during the term of this Agreement.

2.6 Term. This Agreement shall become effective on the Closing Date and, subject to Section 13.7, shall continue in full force and effect for so long as any Obligations (other than inchoate indemnification Obligations) remain outstanding or Bank has any obligation to make Credit Extensions under this Agreement. Notwithstanding the foregoing, Bank shall have the right to terminate its obligation to make Credit Extensions under this Agreement immediately and without notice upon the occurrence and during the continuance of an Event of Default. Notwithstanding termination, Bank's Lien on the Collateral shall remain in effect for so long as any Obligations (other than inchoate indemnification Obligations) are outstanding. Upon the payment in full, in cash, of the Obligations (other than inchoate indemnification Obligations) and termination of Bank's obligation to make Credit Extensions in accordance with a payoff letter reasonably acceptable to Bank, Bank shall, pursuant to such payoff letter and at Borrower's sole cost and expense and without any recourse, representation or warranty or any kind, release its Liens in the Collateral and all rights therein shall revert to Borrower.

3. CONDITIONS OF LOANS.

3.1 Conditions Precedent to Effectiveness. The effectiveness of the Loan Documents is subject to the condition precedent that Bank shall have received, in form and substance reasonably satisfactory to Bank, the following:

(a) this Agreement;

(b) a certificate of the Secretary of Borrower with respect to incumbency and resolutions authorizing the execution and delivery of this Agreement;

(c) UCC National Form Financing Statement;

(d) a payoff letter with respect to Borrower's Indebtedness to East West Bank;

(e) [reserved];

(f) [reserved];

(g) [reserved];

(h) [reserved];

(i) payment of the fees and Bank Expenses then due specified in Section 2.5(a) and (b) hereof;

(j) initial reporting which includes: (i) the information required by Section 6.3(a) herein for the most recent month ended at least 30 days prior to the Closing Date; (ii) year-to date financial statements as of the last day of the most recent month ended at least 30 days prior to the Closing Date; (iii) unaudited financial statements for Borrower's most recently completed fiscal year; and (iv) such other financial information as Bank may reasonably request.

(k) a current Compliance Certificate in accordance with Section 6.3 herein and evidence that Borrower is in compliance with all covenants set forth in Section 6.8 herein on a pro forma basis as of the Closing Date;

(l) [reserved];

(m) [reserved];

(n) subject to Section 6.12 hereof, evidence satisfactory to Bank that the insurance policies and endorsements required by Section 6.6 hereof are in full force and effect, together with appropriate evidence showing lender loss payable and/or additional insured clauses or endorsements in favor of Bank;

(o) landlord waiver for 9 Parker, Suite 100 Irvine, CA 92618;

(p) confirmation that Borrower is not involved in material litigation;

(q) the representations and warranties contained in Article 5 shall be true and correct in all material respects on and as of Closing Date, and no Event of Default shall have occurred and be continuing, or would exist after giving effect to the closing of the Loan Documents;

(r) an audit of the Collateral, the results of which shall be satisfactory to Bank; and

(s) such other documents, and completion of such other matters, as Bank may reasonably deem necessary or appropriate.

3.2 Conditions Precedent to All Credit Extensions. The obligation of Bank to make each Credit Extension, including the initial Credit Extension, is further subject to the following conditions:

(a) timely receipt by Bank of the Revolving Advance Request Form as provided in Section 2.1;

(b) Borrower shall be in compliance with Section 6.7 hereof;

(c) the representations and warranties contained in Article 5 shall be true and correct in all material respects on and as of the date of such Revolving Advance Request Form and on the effective date of each Credit Extension as though made at and as of each such date, and no Event of Default shall have occurred and be continuing, or would exist after giving effect to such Credit Extension. The making of each Credit Extension shall be deemed to be a representation and warranty by Borrower on the date of such Credit Extension as to the accuracy of the facts referred to in this Section 3.2; and

(d) Bank determines to its satisfaction that a Material Adverse Effect has not occurred.

4. CREATION OF SECURITY INTEREST.

4.1 Grant of Security Interest. Borrower grants and pledges to Bank a continuing security interest in all presently existing and hereafter acquired or arising Collateral in order to secure prompt repayment of any and all Obligations and in order to secure prompt performance by Borrower of each of its covenants and duties under the Loan Documents. Except as set forth in the Schedule and subject to Permitted Liens that may have priority by operation of applicable law, such security interest constitutes a valid, first priority security interest in the presently existing Collateral, and will constitute a valid, first priority security interest in Collateral acquired after the date hereof.

4.2 Delivery of Additional Documentation Required. Borrower shall from time to time execute and deliver to Bank, at the request of Bank, all Negotiable Collateral, all financing statements and other documents that Bank may reasonably request, in form reasonably satisfactory to Bank, to perfect and continue the perfection of Bank's security interests in the Collateral and in order to fully consummate all of the transactions contemplated under the Loan Documents. Borrower from time to time may deposit with Bank specific time deposit accounts to secure specific Obligations. Borrower authorizes Bank to hold such balances in pledge and to decline to honor any drafts thereon or any request by Borrower or any other Person to pay or otherwise transfer any part of such balances for so long as the Obligations are outstanding.

4.3 Right to Inspect. Bank (through any of its officers, employees, or agents) shall have the right, upon reasonable prior notice, from time to time during Borrower's usual business hours but no more than twice a year (unless an Event of Default has occurred and is continuing), to inspect Borrower's Books and to make copies thereof and to check, test, and appraise the Collateral in order to verify Borrower's financial condition or the amount, condition of, or any other matter relating to, the Collateral.

4.4 Pledge of Collateral. Borrower hereby pledges, assigns and grants to Bank a security interest in all the Shares, together with all proceeds and substitutions thereof, all cash, stock, and other moneys and property paid thereon, all rights to subscribe for securities declared or granted in connection therewith, and all other cash and noncash proceeds of the foregoing, as security for the performance of the Obligations. On the Closing Date, the certificate or certificates (if any) for the Shares will be delivered to Bank, accompanied by an instrument of assignment duly executed in blank by Borrower. To the extent required by the terms and conditions governing the Shares, Borrower shall cause the books of each entity whose Shares are part of the Collateral and any transfer agent to reflect the pledge of the Shares. Upon the occurrence and during the continuance of an Event of Default hereunder, Bank may effect the transfer of any securities included in the Collateral (including but not limited to the Shares) into the name of Bank and cause new certificates representing such securities to be issued in the name of Bank or its transferee. Borrower will execute and deliver such documents, and take or cause to be taken such actions, as Bank may reasonably request to perfect or continue the perfection of Bank's security interest in the Shares. Unless an Event of Default shall have occurred and be continuing, Borrower shall be entitled to exercise any voting rights with respect to the Shares and to give consents, waivers and ratifications in respect thereof, provided that no vote shall be cast or consent, waiver, or ratification given or action taken which would be inconsistent with any of the terms of this Agreement or which would constitute or create any violation of any of such terms. All such rights to vote and give consents, waivers and ratifications shall terminate upon the occurrence and continuance of an Event of Default

5. REPRESENTATIONS AND WARRANTIES.

Borrower represents and warrants as follows:

5.1 Due Organization and Qualification. Borrower and each Subsidiary is a corporation or limited liability company, as applicable, duly existing under the laws of its state of incorporation or formation, as applicable, and qualified and licensed to do business in any state in which the conduct of its business or its ownership of property requires that it be so qualified and failure to be so qualified could reasonably be expected to result in a Material Adverse Effect.

5.2 Due Authorization; No Conflict. The execution, delivery, and performance of the Loan Documents are within Borrower's powers, have been duly authorized, and are not in conflict with nor constitute a breach of any provision contained in Borrower's Articles of Incorporation or Bylaws, nor will they constitute an event of default under any material agreement to which Borrower is a party or by which Borrower is bound. Borrower is not in default under any material agreement to which it is a party or by which it is bound, which default could reasonably be expected to result in a Material Adverse Effect.

5.3 No Prior Encumbrances. Borrower has good and marketable title to its property, free and clear of Liens, except for Permitted Liens.

5.4 Eligible Accounts. The Eligible Accounts are bona fide existing obligations. The property and services giving rise to such Eligible Accounts has been delivered or rendered to the account debtor or to the account debtor's agent for immediate and unconditional acceptance by the account debtor. Borrower has not received notice of actual or imminent Insolvency Proceeding of any account debtor that is included in any Borrowing Base Certificate as an Eligible Account.

5.5 Merchantable Inventory. All Inventory is in all material respects of good and marketable quality, free from all material defects, except for Inventory for which adequate reserves have been made.

5.6 Intellectual Property. Borrower is the sole owner of the Intellectual Property, except for non-exclusive licenses granted by Borrower to its customers in the ordinary course of business. Each of the Patents is valid and enforceable, and no part of the Intellectual Property has been judged invalid or unenforceable, in whole or in part, and no claim has been made that any part of the Intellectual Property violates the rights of any third party. Except as set forth in the Schedule, Borrower's rights as a licensee of intellectual property do not give rise to more than five percent (5%) of its gross revenue in any given month, including without limitation revenue derived from the sale, licensing, rendering or disposition of any product or service. Except as set forth in the Schedule, Borrower is not a party to, or bound by, any agreement that restricts the grant by Borrower of a security interest in Borrower's rights under such agreement.

5.7 Name; Location of Chief Executive Office. Except as disclosed in the Schedule, Borrower has not done business under any name other than that specified on the signature page hereof. The chief executive office of Borrower is located at the address indicated in Article 10 hereof. All Borrower's Inventory and Equipment is located only at the location set forth in Article 10 hereof, other than Inventory or Equipment that is (a) in transit or (b) at a location (i) for which Borrower has provided proper notice and otherwise complied with Section 7.10 hereof, or (ii) that contains less than One Hundred Thousand Dollars ($100,000) in Collateral of Borrower.

5.8 Litigation. Except as set forth in the Schedule, there are no actions or proceedings pending by or against Borrower or any Subsidiary before any court or administrative agency in which an adverse decision could have a Material Adverse Effect, or a material adverse effect on Borrower's interest or Bank's security interest in the Collateral.

5.9 No Material Adverse Change in Financial Statements. All consolidated financial statements related to Borrower and any Subsidiary that Bank has received from Borrower fairly present in all material respects Borrower's financial condition as of the date thereof and Borrower's consolidated results of operations for the period then ended. There has not been a material adverse change in the consolidated financial condition of Borrower since the date of the most recent of such financial statements submitted to Bank.

5.10 Solvency, Payment of Debts. Borrower is able to pay its debts (including trade debts) as they mature; the fair saleable value of Borrower's assets (including goodwill minus disposition costs) exceeds the fair value of its liabilities; and Borrower is not left with unreasonably small capital after the transactions contemplated by this Agreement.

5.11 Regulatory Compliance. Borrower and each Subsidiary have met the minimum funding requirements of ERISA with respect to any employee benefit plans subject to ERISA, and no event has occurred resulting from Borrower's failure to comply with ERISA that could result in Borrower's incurring any material liability. Borrower is not an "investment company" or a company "controlled" by an "investment company" within the meaning of the Investment Company Act of 1940. Borrower is not engaged principally, or as one of the important activities, in the business of extending credit for the purpose of purchasing or carrying margin stock (within the meaning of Regulations T and U of the Board of Governors of the Federal Reserve System). Borrower has complied in all material respects with all the provisions of the Federal Fair Labor Standards Act. Borrower has not violated any statutes, laws, ordinances, or rules applicable to it, violation of which could have a Material Adverse Effect.

5.12 Environmental Condition. Except as disclosed in the Schedule, none of Borrower's or any Subsidiary's properties or assets has ever been used by Borrower or any Subsidiary or, to the best of Borrower's knowledge, by previous owners or operators, in the disposal of, or to produce, store, handle, treat, release, or transport, any hazardous waste or hazardous substance other than in accordance with applicable law; to the best of Borrower's knowledge, none of Borrower's properties or assets has ever been designated or identified in any manner pursuant to any environmental protection statute as a hazardous waste or hazardous substance disposal site, or a candidate for closure pursuant to any environmental protection statute; no lien arising under any environmental protection statute has attached to any revenues or to any real or personal property owned by Borrower or any Subsidiary; and neither Borrower nor any Subsidiary has received a summons, citation, notice, or directive from the Environmental Protection Agency or any other federal, state, or other governmental agency concerning any action or omission by Borrower or any Subsidiary resulting in the releasing, or otherwise disposing of hazardous waste or hazardous substances into the environment.

5.13 Taxes. Borrower and each Subsidiary have filed or caused to be filed all material tax returns required to be filed, and have paid, or have made adequate provision for the payment of, all material taxes reflected therein, in each case except as permitted under Section 6.5.

5.14 Subsidiaries. Borrower does not own any stock, partnership interest, or other equity securities of any Person, except for Permitted Investments and New Subsidiaries with which Borrower has complied with Section 6.10 herein.

5.15 Government Consents. Borrower and each Subsidiary have obtained all consents, approvals, and authorizations of, made all declarations or filings with, and given all notices to, all governmental authorities that are necessary for the continued operation of Borrower's business as currently conducted, except where the failure to do so would not reasonably be expected to cause a Material Adverse Effect.

5.16 Accounts. Except for accounts permitted to be maintained by Section 6.7 and with respect to which Bank has a control agreement in form and substance reasonably satisfactory to Bank (unless such a control agreement is not required under Section 7.7), none of Borrower's nor any Subsidiary's Investment Collateral (other than de minimis amounts) is maintained or invested with a Person other than Bank.

5.17 Shares. Borrower has full power and authority to create a first lien on the Shares and no disability or contractual obligation exists that would prohibit Borrower from pledging the Shares pursuant to this Agreement. To Borrower's knowledge, there are no subscriptions, warrants, rights of first refusal, or other restrictions on transfer relative to, or options exercisable with respect to the Shares. The Shares have been and will be duly authorized and validly issued, and are fully paid and non-assessable. To Borrower's knowledge, the Shares are not the subject of any present or threatened suit, action, arbitration, administrative or other proceeding, and Borrower knows of no reasonable grounds for the institution of any such proceedings.

5.18 Full Disclosure; No Material Adverse Effect. No representation, warranty, or other statement made by Borrower in any certificate or written statement furnished to Bank contains any untrue statement of a material fact or omits to state a material fact necessary in order to make the statements contained in such

certificates or statements not misleading, it being recognized by the Bank that projections and forecasts provided by the Borrower are not viewed as facts, and actual results may differ for projected as forecasted results. A Material Adverse Effect has not occurred since the date of the most recent audited financial statement submitted to Bank.

6. AFFIRMATIVE COVENANTS.

Borrower shall do all of the following:

6.1 Good Standing. Borrower shall maintain its and each of its Subsidiaries' corporate existence and good standing in its jurisdiction of incorporation and maintain qualification in each jurisdiction in which it is required under applicable law and where failure to so qualify would reasonably be expected to result in a Material Adverse Effect. Borrower shall maintain, and shall cause each of its Subsidiaries to maintain, in force all licenses, approvals, and agreements, the loss of which could have a Material Adverse Effect.

6.2 Government Compliance. Borrower shall meet, and shall cause each Subsidiary to meet, the minimum funding requirements of ERISA with respect to any employee benefit plans subject to ERISA, noncompliance with which could have a Material Adverse Effect. Borrower shall comply, and shall cause each Subsidiary to comply, with all statutes, laws, ordinances, and government rules and regulations to which it is subject, noncompliance with which could have a Material Adverse Effect.

6.3 Financial Statements, Reports, Certificates. Borrower shall deliver the following to Bank: (a) as soon as available, but in any event within thirty (30) days after the end of each calendar month, a company prepared consolidated balance sheet, income statement, and cash flow statement covering Borrower's consolidated operations during such period, prepared in accordance with GAAP, consistently applied, in a form reasonably acceptable to Bank (it being agreed that any financial statements substantially in the form previously delivered on or prior to the Closing Date are reasonably acceptable to Bank) and certified by a Responsible Officer; (b) as soon as available, but in any event within one hundred eighty (180) days after the end of Borrower's fiscal year, audited consolidated financial statements of Borrower prepared in accordance with GAAP, consistently applied, together with an unqualified opinion on such financial statements of an independent certified public accounting firm reasonably acceptable to Bank (it being understood that the existing accounting firm of the Borrower and other nationally recognized accounting firms are reasonably acceptable to Bank) (or an opinion qualified for going concern so long as (i) Borrower's investors provide additional equity as needed or (ii) such qualification exists due to a pending maturity under this Agreement); (c) copies of all statements, reports, and notices sent or made available generally by Borrower to its security holders or to any holders of Subordinated Debt and, if applicable, all reports on Forms 10-K and 10-Q filed with the Securities and Exchange Commission; (d) promptly upon receipt of notice thereof, a report of any legal actions pending or threatened against Borrower or any Subsidiary that could result in damages or costs to Borrower or any Subsidiary of Five Hundred Thousand Dollars ($500,000) or more; (e) as soon as available, but in any event within thirty (30) days after the end of each fiscal year of Borrower, (i) annual operating budgets (including income statements, balance sheets, and cash flow statements, by month) for the upcoming fiscal year of Borrower, and (ii) annual financial projections for the following fiscal year as approved by Borrower's board of directors, together with any related business forecasts used in the preparation of such annual financial projections; and (f) such budgets, sales projections, operating plans or other financial information as Bank may reasonably request from time to time.

Within thirty (30) days after the last day of each month, Borrower shall deliver to Bank a Borrowing Base Certificate signed by a Responsible Officer in substantially the form set forth in the Client Reporting File, together with aged listings of accounts receivable and accounts payable.

Borrower shall deliver to Bank with the monthly financial statements a Compliance Certificate signed by a Responsible Officer in substantially the form set forth in the Client Reporting File.

Bank shall have a right from time to time hereafter to audit Borrower's Accounts and appraise Collateral at Borrower's expense, provided that such audits will be conducted no more often than every six (6) months unless an Event of Default has occurred and is continuing.

6.4 Inventory; Returns. Borrower shall keep all Inventory in good and marketable condition, free from all material defects except for Inventory for which adequate reserves have been made. Returns and allowances, if any, as between Borrower and its account debtors shall be on the same basis and in accordance with the

usual customary practices of Borrower, as they exist at the time of the execution and delivery of this Agreement. Borrower shall promptly notify Bank of all returns and recoveries and of all disputes and claims, where the return, recovery, dispute, or claim involves more than Two Hundred Fifty Thousand Dollars ($250,000).

6.5 Taxes. Borrower shall make, and shall cause each Subsidiary to make, due and timely payment or deposit of all material federal, state, and local taxes, assessments, or contributions required of it by law, and will execute and deliver to Bank, on demand, appropriate certificates attesting to the payment or deposit thereof; and Borrower will make, and will cause each Subsidiary to make, timely payment or deposit of all material tax payments and withholding taxes required of it by applicable laws, including, but not limited to, those laws concerning F.I.C.A., F.U.T.A., state disability, and local, state, and federal income taxes, and will, upon request, furnish Bank with proof satisfactory to Bank indicating that Borrower or a Subsidiary has made such payments or deposits; provided that Borrower or a Subsidiary need not make any payment if the amount or validity of such payment is contested in good faith by appropriate proceedings and is reserved against (to the extent required by GAAP) by Borrower.

6.6 Insurance.

(a) Borrower, at its expense, shall keep the Collateral insured against loss or damage by fire, theft, explosion, sprinklers, and all other hazards and risks, and in such amounts, as ordinarily insured against by other owners in similar businesses conducted in the locations where Borrower's business is conducted on the date hereof. Borrower shall also maintain insurance relating to Borrower's business, ownership, and use of the Collateral in amounts and of a type that are customary to businesses similar to Borrower's.

(b) All such policies of insurance shall be in such form, with such companies, and in such amounts as are reasonably satisfactory to Bank. All such policies of property insurance shall contain a lender's loss payable endorsement, in a form satisfactory to Bank, showing Bank as an additional lender's loss payee thereof, and all liability insurance policies shall show Bank as an additional insured and shall specify that the insurer must give at least thirty (30) days' notice to Bank before canceling its policy for any reason, or ten (10) days' notice if such cancellation is for non-payment of premium. Upon Bank's request, Borrower shall deliver to Bank certified copies of such policies of insurance and evidence of the payments of all premiums therefor. All proceeds payable under any such policy shall, at the option of Bank, be payable to Bank to be applied on account of the Obligations.

6.7 Accounts. On or after the date that is two (2) Business Days from the Closing Date, or such later date as Bank may reasonably agree, and through the date that is sixty (60) days after the Closing Date, Borrower shall maintain at least seventy-five percent (75%) of all its cash at Bank. From and after the date that is sixty (60) days after the Closing Date, or such later date as Bank may reasonably agree, Borrower shall (a) endeavor to maintain and shall cause each of its Subsidiaries to endeavor to maintain all its depository and operating accounts, and its primary investment accounts (other than Excluded Accounts) with Bank and (b) endeavor to utilize and shall cause each of its Subsidiaries to endeavor to utilize Bank's International Banking Division for any international banking services required by Borrower, including, but not limited to, foreign currency wires, hedges, swaps, FX Contracts, and Letters of Credit; provided, that, in each case, if Borrower has requested and Bank is either unable or has refused to provide a particular service, Borrower shall have no obligation to use Bank for such service and Borrower shall not be required to comply with this Section 6.7 with respect to such service (and may use another provider for such service so long as Borrower is otherwise permitted to do so under this Agreement) so long as Borrower continues to maintain its primary deposit, operating and investment accounts with Bank.

6.8 Financial Covenants. Borrower shall at all times maintain the following financial ratios and covenants:

(a) Minimum Revenue. Measured monthly and calculated on a trailing twelve (12) month basis, Borrower shall achieve minimum Revenue of at least the amounts shown in the table immediately below for the corresponding reporting periods. For subsequent reporting periods, Bank and Borrower hereby agree that Bank and Borrower shall, beginning on February 15, 2021 and continuing on February 15th of each year thereafter during the term of this Agreement, use the forecast delivered by Borrower to Bank pursuant to Section 6.3 to mutually determine the minimum Revenue amounts for such year (so long as such forecast is reasonably acceptable to Bank).

Reporting Period Ending	Minimum Trailing Twelve Month Revenue for Such Period
December 31, 2019	$ 40,000,000
January 31, 2020	$ 42,500,000
February 29, 2020	$ 44,500,000
March 31, 2020	$ 46,000,000
April 30, 2020	$ 48,000,000
May 31, 2020	$ 49,000,000
June 30, 2020	$ 50,000,000
July 31, 2020	$ 51,000,000
August 31, 2020	$ 52,500,000
September 30, 2020	$ 54,000,000
October 31, 2020	$ 56,000,000
November 30, 2020	$ 58,000,000
December 31, 2020	$ 60,000,000

6.9 [Reserved].

6.10 Creation/Acquisition of Subsidiaries. In the event that Borrower or any Subsidiary that is a co-borrower hereunder or a secured guarantor of the Obligations of Borrower creates or acquires any Subsidiary, Borrower or such Subsidiary shall promptly notify Bank of such creation or acquisition, and Borrower or such Subsidiary shall take all actions reasonably requested by Bank to achieve any of the following with respect to such "**New Subsidiary**" (defined as a Subsidiary formed after the date hereof during the term of this Agreement): (a) to cause such New Subsidiary, if such New Subsidiary is not a CFC, to become either a co-borrower hereunder or a secured guarantor with respect to the Obligations, and (b) to grant and pledge to Bank a perfected security interest in the Shares held by Borrower or such Subsidiary of any such New Subsidiary (to the extent that such Shares constitute Collateral).

6.11 Further Assurances. At any time and from time to time Borrower shall execute and deliver such further instruments and take such further action as may reasonably be requested by Bank to effect the purposes of this Agreement.

6.12 Post-Closing. Borrower shall deliver insurance endorsements required by Section 6.6 hereof to Bank within forty-five (45) days of the Closing Date, or such later date as Bank may reasonably agree.

7. NEGATIVE COVENANTS.

Borrower will not do any of the following:

7.1 Dispositions. Convey, sell, lease, transfer, or otherwise dispose of (collectively, a "**Transfer**"), or permit any of its Subsidiaries to Transfer, all or any part of its business or property, other than: (a) Transfers of Inventory in the ordinary course of business; (b) Transfers of non-exclusive licenses and similar arrangements for the use of the property of Borrower or its Subsidiaries in the ordinary course of business; (c) Transfers of worn-out, surplus or obsolete Equipment which was not financed by Bank; (d) Transfers in connection with Permitted Liens or Permitted Investments; (e) Transfers of cash and cash equivalents in connection with transactions not prohibited hereunder; (f) Transfers from one Loan Party to another Loan Party; and (g) Transfers of other assets for fair market value not to exceed Five Hundred Thousand Dollars ($500,000) in the aggregate.

7.2 Change in Business; Change in Control or Executive Office. Engage in any business, or permit any of its Subsidiaries to engage in any business, other than the businesses currently engaged in by Borrower and any business substantially similar or related thereto (or incidental thereto); or cease to conduct business in the manner conducted by Borrower as of the Closing Date; or suffer or permit a Change in Control; or without thirty (30) days prior written notification to Bank, relocate its chief executive office or state of incorporation or change its legal name; or without Bank's prior written consent, change the date on which its fiscal year ends.

7.3 Mergers or Acquisitions. Merge or consolidate, or permit any of its Subsidiaries to merge or consolidate, with or into any other business organization, or acquire, or permit any of its Subsidiaries to acquire, all or substantially all of the capital stock or property of another Person except (a) any Subsidiary may merge with or consolidate with or into Borrower or any Loan Party, provided that Borrower or such Loan Party shall be the continuing or surviving entity, and (b) any Subsidiary that is not a Loan Party may merge with or consolidate with or into another Subsidiary that is not a Loan Party.

7.4 Indebtedness. Create, incur, assume, or be or remain liable with respect to any Indebtedness, or permit any Subsidiary so to do, other than Permitted Indebtedness.

7.5 Encumbrances. Create, incur, assume or suffer to exist any Lien with respect to any of its property (including without limitation its Intellectual Property) or assign or otherwise convey any right to receive income, including the sale of any Accounts, or permit any of its Subsidiaries to do so, except for Permitted Liens, or agree with any Person other than Bank not to grant a security interest in, or otherwise encumber, any of its property (including without limitation its Intellectual Property), or permit any Subsidiary to do so, except for (a) with respect to any Permitted Indebtedness described in clause (c) or (h) of the definition thereof, provided that such agreement relates solely to the property that is financed by such Indebtedness, (b) an agreement prohibiting only the creation of liens securing Indebtedness that is subordinated to the Obligations, and (c) customary anti-assignment and anti-licensing provisions in contracts or licenses restricting the assignment or licensing thereof.

7.6 Distributions. Pay any dividends or make any other distribution or payment on account of or in redemption, retirement, or purchase of any capital stock, or permit any of its Subsidiaries to do so, except that Borrower may (a) repurchase the stock of former employees, officers, managers or consultants pursuant to stock repurchase agreements as long as an Event of Default does not exist prior to such repurchase or would not exist after giving effect to such repurchase, and (b) with respect to equity compensation awards granted to any current or former directors, employees, officers, managers, consultants, independent contractors or other service providers, (i) withhold Shares to satisfy any applicable withholding tax obligations, and (ii) on a cashless basis, withhold Shares to satisfy any applicable exercise or purchase price.

7.7 Investments. Directly or indirectly acquire or own, or make any Investment in or to any Person, or permit any of its Subsidiaries so to do, other than Permitted Investments; or maintain or invest any of its Investment Collateral (other than de minimis amounts) with a Person other than Bank or permit any of its Subsidiaries to do so, unless such Person has entered into an account control agreement with Bank in form and substance satisfactory to Bank (provided that an account control will not be required for (a) Excluded Accounts, (b) Borrower's other accounts for the first ten (10) Business Days after the Closing Date (or such longer period as Bank may reasonably agree) or (c) Borrower's other accounts after the date that is ten (10) Business Days from the Closing Date (or such later date as set forth in the foregoing clause (b)), and through the date that is sixty (60) days after the Closing Date (or such later date as Bank may reasonably agree) with respect to the 25% of Borrower's cash permitted to be kept outside Bank during such period); or suffer or permit any Subsidiary to be a party to, or be bound by, an agreement that restricts such Subsidiary from paying dividends or otherwise distributing property to Borrower.

7.8 Transactions with Affiliates. Directly or indirectly enter into or permit to exist any material transaction with any Affiliate of Borrower except for (a) as set forth on the Schedule, (b) transactions that are in the ordinary course of Borrower's business, upon fair and reasonable terms that are no less favorable to Borrower than would be obtained in an arm's length transaction with a non-affiliated Person, (c) Subordinated Debt or equity investments by Borrower's investors in Borrower or its Subsidiaries otherwise permitted under this Agreement, (d) reasonable and customary compensation and benefit arrangements (including the granting of options or other equity compensation arrangements) and any reasonable and customary indemnification arrangements with employees, officers, managers or consultants approved by, or pursuant to, any plan approved by the Board of Director of Borrower, and (e) distributions permitted pursuant to Section 7.6 hereof. Without the prior written consent of Bank in its sole and absolute discretion, no part of the proceeds of the Credit Extensions may be used (w) to purchase any asset or securities (i) issued by an Reg W Affiliate of Bank, (ii) in respect of which, and during any period when, any Reg W Affiliate of Bank has acted as an underwriter, (iii) sold by any Reg W Affiliate of Bank acting as a principal, (iv) if the transaction would otherwise result in a violation of Regulation W issued by the Board of Governors of the Federal Reserve System of the United States, as may be amended from time to time, or (v) if the transaction would not comply with 12 C.F.R. 223.16; (x) to pay, in whole or in part, directly or indirectly, any loan made by any Reg W Affiliate of Bank; or (y) for the benefit of, or to transfer such proceeds to, any Reg W Affiliate of Bank.

7.9 Subordinated Debt. Make any payment in respect of any Subordinated Debt, or permit any of its Subsidiaries to make any such payment, except in compliance with the terms of such Subordinated Debt, or amend any provision contained in any documentation relating to the Subordinated Debt without Bank's prior written consent.

7.10 Inventory and Equipment. Store Inventory or the Equipment in excess of One Hundred Thousand Dollars ($100,000) with a bailee, warehouseman, or other third party unless the third party has been notified of Bank's security interest and Bank (a) has received an acknowledgment from the third party that it is holding or will hold the Inventory or Equipment for Bank's benefit or (b) is in pledge possession of the warehouse receipt, where negotiable, covering such Inventory or Equipment, in each case, other than Inventory or Equipment that it is transit. Store or maintain any Equipment or Inventory at any leased location where Collateral is in excess of One Hundred Thousand Dollars ($100,000), unless the landlord has been notified of the Bank's security interest and Bank has received a landlord waiver in form and substance satisfactory to Bank, duly executed by Borrower and such landlord.

7.11 Compliance. Become an "investment company" or be controlled by an "investment company," within the meaning of the Investment Company Act of 1940, or become principally engaged in, or undertake as one of its important activities, the business of extending credit for the purpose of purchasing or carrying margin stock, or use the proceeds of any Credit Extension for such purpose. Fail to meet the minimum funding requirements of ERISA, permit a Reportable Event or Prohibited Transaction, as defined in ERISA, to occur, fail to comply with the Federal Fair Labor Standards Act, or violate any law or regulation, which could have a Material Adverse Effect, or a material adverse effect on the Collateral or the priority of Bank's Lien on the Collateral, or permit any of its Subsidiaries to do any of the foregoing.

8. EVENTS OF DEFAULT.

Any one (1) or more of the following events shall constitute an event of default by Borrower under this Agreement (each an "**Event of Default**").

8.1 Payment Default. If Borrower fails to pay, when due, any of the Obligations;

8.2 Covenant Default.

(a) If Borrower fails to perform any obligation under Sections 6.3, 6.5, 6.6, 6.7, 6.8, or 6.10 or violates any of the covenants contained in Article 7 of this Agreement; or

(b) If Borrower fails or neglects to perform or observe any obligation under Article 6 (other than Section 6.3, 6.5, 6.6, 6.7, 6.8, and 6.10, which are addressed in clause (a) above) or any other material term, provision, condition, covenant contained in this Agreement, in any of the Loan Documents, or in any other present or future agreement between Borrower and Bank (other than any such failure which is addressed in clause (a) above) and as to any default under such other term, provision, condition or covenant that can be cured, has failed to cure such default within ten (10) days after Borrower receives notice thereof or any officer of Borrower becomes aware thereof; provided, however, that if the default cannot by its nature be cured within the ten (10) day period or cannot after diligent attempts by Borrower be cured within such ten (10) day period, and such default is likely to be cured within a reasonable time, then Borrower shall have an additional reasonable period (which shall not in any case exceed thirty (30) days) to attempt to cure such default, and within such reasonable time period the failure to have cured such default shall not be deemed an Event of Default but no Credit Extensions will be made.

8.3 Material Adverse Effect. If there occurs any circumstance or circumstances that could reasonably be expected to have a Material Adverse Effect.

8.4 Attachment. If any portion of Borrower's assets is attached, seized, subjected to a writ or distress warrant, or is levied upon, or comes into the possession of any trustee, receiver, or person acting in a similar capacity and such attachment, seizure, writ or distress warrant, or levy has not been removed, discharged or rescinded within ten (10) days, or if Borrower is enjoined, restrained, or in any way prevented by court order from continuing to conduct all or any material part of its business affairs, or if a judgment or other claim becomes a lien or encumbrance upon any material portion of Borrower's assets, or if a notice of lien, levy, or assessment is filed of record with respect to any of Borrower's assets by the United States Government, or any department, agency, or instrumentality thereof,

or by any state, county, municipal, or governmental agency, and the same is not paid within ten (10) days after Borrower receives notice thereof, provided that none of the foregoing shall constitute an Event of Default where such action or event is stayed or an adequate bond has been posted pending a good faith contest by Borrower (provided that no Credit Extensions will be required to be made during such cure period);

8.5 Insolvency. If Borrower becomes insolvent, or if an Insolvency Proceeding is commenced by Borrower, or if an Insolvency Proceeding is commenced against Borrower and is not dismissed or stayed within thirty (30) days (provided that no Credit Extensions will be made prior to the dismissal of such Insolvency Proceeding);

8.6 Other Agreements. If there is a default or other failure to perform in any agreement to which Borrower is a party or by which it is bound resulting in a right by a third party or parties, whether or not exercised, to accelerate the maturity of any Indebtedness in an amount in excess of Five Hundred Thousand Dollars ($500,000) or which could have a Material Adverse Effect;

8.7 Judgments. If a judgment or judgments for the payment of money in an amount, individually or in the aggregate, of at least Five Hundred Thousand Dollars ($500,000) shall be rendered against Borrower and shall remain unsatisfied and unstayed for a period of ten (10) days (provided that no Credit Extensions will be made prior to the satisfaction or stay of such judgment);

8.8 Misrepresentations. If any material misrepresentation or material misstatement exists now or hereafter in any warranty or representation set forth herein or in any certificate delivered to Bank by any Responsible Officer pursuant to this Agreement or to induce Bank to enter into this Agreement or any other Loan Document; or

8.9 Guaranty. If any guaranty of all or a portion of the Obligations (a "**Guaranty**") ceases for any reason to be in full force and effect, or any guarantor fails to perform any material obligation under any Guaranty or a security agreement securing any Guaranty (collectively, the "**Guaranty Documents**"), or any event of default occurs under any Guaranty Document, or any guarantor revokes or purports to revoke a Guaranty, or any material misrepresentation or material misstatement by a guarantor exists now or hereafter in any warranty or representation set forth in any Guaranty Document or in any certificate delivered to Bank in connection with any Guaranty Document, or if any of the circumstances described in Sections 8.3 through 8.8 occur with respect to any guarantor or any guarantor dies or becomes subject to any criminal prosecution, or any circumstances arise causing Bank, in good faith, to become insecure as to the satisfaction of any of any guarantor's obligations under the Guaranty Documents.

9. BANK'S RIGHTS AND REMEDIES.

9.1 Rights and Remedies. Upon the occurrence and during the continuance of an Event of Default, Bank may, at its election, without notice of its election and without demand, do any one (1) or more of the following, all of which are authorized by Borrower:

(a) Declare all Obligations, whether evidenced by this Agreement, by any of the other Loan Documents, or otherwise, immediately due and payable (provided that upon the occurrence of an Event of Default described in Section 8.5, all Obligations shall become immediately due and payable without any action by Bank);

(b) Cease advancing money or extending credit to or for the benefit of Borrower under this Agreement or under any other agreement between Borrower and Bank;

(c) Settle or adjust disputes and claims directly with account debtors for amounts, upon terms, and in whatever order that Bank reasonably considers advisable;

(d) Make such payments and do such acts as Bank considers necessary or reasonable to protect its security interest in the Collateral. Borrower agrees to assemble the Collateral if Bank so requires, and to make the Collateral available to Bank as Bank may designate. Borrower authorizes Bank to enter the premises where the Collateral is located, to take and maintain possession of the Collateral, or any part of it, and to pay, purchase,

contest, or compromise any encumbrance, charge, or lien which in Bank's determination appears to be prior or superior to its security interest and to pay all expenses incurred in connection therewith. With respect to any of Borrower's owned premises, Borrower hereby grants Bank a license to enter into possession of such premises and to occupy the same, without charge, in order to exercise any of Bank's rights or remedies provided herein, at law, in equity, or otherwise;

(e) Set off and apply to the Obligations any and all (i) balances and deposits of Borrower held by Bank, or (ii) indebtedness at any time owing to or for the credit or the account of Borrower held by Bank;

(f) Ship, reclaim, recover, store, finish, maintain, repair, prepare for sale, advertise for sale, and sell (in the manner provided for herein) the Collateral. Bank is hereby granted a license or other right, solely pursuant to the provisions of this Section 9.1, to use, without charge, Borrower's labels, patents, copyrights, rights of use of any name, trade secrets, trade names, trademarks, service marks, and advertising matter, or any property of a similar nature, as it pertains to the Collateral, in completing production of, advertising for sale, and selling any Collateral and, in connection with Bank's exercise of its rights under this Section 9.1, Borrower's rights under all licenses and all franchise agreements shall inure to Bank's benefit;

(g) Dispose of the Collateral by way of one (1) or more contracts or transactions, for cash or on terms, in such manner, and at such places (including Borrower's premises) as Bank determines is commercially reasonable, and apply any proceeds to the Obligations in whatever manner or order Bank deems appropriate;

(h) Bank may credit bid and purchase at any public sale; and

(i) Any deficiency that exists after disposition of the Collateral as provided above will be paid immediately by Borrower.

9.2 Power of Attorney. Effective only upon the occurrence and during the continuance of an Event of Default, Borrower hereby irrevocably appoints Bank (and any of Bank's designated officers, or employees) as Borrower's true and lawful attorney to: (a) send requests for verification of Accounts or notify account debtors of Bank's security interest in the Accounts; (b) endorse Borrower's name on any checks or other forms of payment or security that may come into Bank's possession; (c) sign Borrower's name on any invoice or bill of lading relating to any Account, drafts against account debtors, schedules and assignments of Accounts, verifications of Accounts, and notices to account debtors; (d) dispose of any Collateral; (e) make, settle, and adjust all claims under and decisions with respect to Borrower's policies of insurance; and (f) settle and adjust disputes and claims respecting the accounts directly with account debtors, for amounts and upon terms which Bank determines to be reasonable. In addition, Borrower hereby irrevocably appoints Bank (and any of Bank's designated officers, or employees) to file, in its sole discretion, one (1) or more financing or continuation statements and amendments thereto, relative to any of the Collateral. The appointment of Bank as Borrower's attorney in fact, and each and every one of Bank's rights and powers, being coupled with an interest, is irrevocable until all of the Obligations (other than inchoate indemnification Obligations) have been fully repaid and performed and Bank's obligation to provide Credit Extensions hereunder is terminated.

9.3 Accounts Collection. At any time after the occurrence of an Event of Default that is continuing, Bank may notify any Person owing funds to Borrower of Bank's security interest in such funds and verify the amount of such Account. At any time after the occurrence of an Event of Default that is continuing, Borrower shall collect all amounts owing to Borrower for Bank, receive in trust all payments as Bank's trustee, and immediately deliver such payments to Bank in their original form as received from the account debtor, with proper endorsements for deposit.

9.4 Bank Expenses. If Borrower fails to pay any amounts or furnish any required proof of payment due to third persons or entities, as required under the terms of this Agreement, then Bank may in the exercise of its Permitted Discretion do any or all of the following after reasonable notice to Borrower: (a) make payment of the same or any part thereof; (b) set up such reserves under a loan facility in Section 2.1 as Bank deems necessary to protect Bank from the exposure created by such failure; or (c) obtain and maintain insurance policies of the type discussed in Section 6.6 of this Agreement, and take any action with respect to such policies as Bank deems prudent.

Any amounts so paid or deposited by Bank shall constitute Bank Expenses, shall be immediately due and payable, and shall bear interest at the then applicable rate hereinabove provided, and shall be secured by the Collateral. Any payments made by Bank shall not constitute an agreement by Bank to make similar payments in the future or a waiver by Bank of any Event of Default under this Agreement.

9.5 Bank's Liability for Collateral. So long as Bank complies with reasonable banking practices, including Section 9-207 of the Code, Bank shall not in any way or manner be liable or responsible for: (a) the safekeeping of the Collateral; (b) any loss or damage thereto occurring or arising in any manner or fashion from any cause; (c) any diminution in the value thereof; or (d) any act or default of any carrier, warehouseman, bailee, forwarding agency, or other person whomsoever. All risk of loss, damage, or destruction of the Collateral shall be borne by Borrower.

9.6 Remedies Cumulative. Bank's rights and remedies under this Agreement, the Loan Documents, and all other agreements shall be cumulative. Bank shall have all other rights and remedies not inconsistent herewith as provided under the Code, by law, or in equity. No exercise by Bank of one right or remedy shall be deemed an election, and no waiver by Bank of any Event of Default on Borrower's part shall be deemed a continuing waiver. No delay by Bank shall constitute a waiver, election, or acquiescence by it. No waiver by Bank shall be effective unless made in a written document signed on behalf of Bank and then shall be effective only in the specific instance and for the specific purpose for which it was given.

9.7 Demand; Protest. Borrower waives demand, protest, notice of protest, notice of default or dishonor, notice of payment and nonpayment, notice of any default, nonpayment at maturity, release, compromise, settlement, extension, or renewal of accounts, documents, instruments, chattel paper, and guarantees at any time held by Bank on which Borrower may in any way be liable.

10. NOTICES. All notices, consents, requests, approvals, demands, or other communication by any party to this Agreement or any other Loan Document must be in writing and shall be deemed to have been validly served, given, or delivered: (a) upon the earlier of actual receipt and three (3) Business Days after deposit in the U.S. mail, first class, registered or certified mail return receipt requested, with proper postage prepaid; (b) upon transmission, when sent by electronic mail or facsimile transmission; (c) one (1) Business Day after deposit with a reputable overnight courier with all charges prepaid; or (d) when delivered, if hand-delivered by messenger, all of which shall be addressed to the party to be notified and sent to the address, facsimile number, or email address indicated below. Bank or Borrower may change its mailing or electronic mail address or facsimile number by giving the other party written notice thereof in accordance with the terms of this Article 10.

If to Borrower:	INARI MEDICAL, INC. 9 Parker suite 100 Irvine, CA 92618 Attn: Mitch Hill TEL: (949) 600-8433 EMAIL: mitchh@inarimedical.com
If to Bank:	SIGNATURE BANK Signature Bank-Venture Banking Group 565 Fifth Avenue New York, NY 10017 Attn: Justin McDonie EMAIL: jmcdonie@signatureNY.com

The parties hereto may change the address at which they are to receive notices hereunder, by notice in writing in the foregoing manner given to the other.

11. GOVERNING LAW. This Agreement shall be deemed to have been made under and shall be governed by the laws of the State of New York (without regard to choice of law principles except as set forth in Section 5-1401 of the New York General Obligations Law) in all respects, including matters of construction, validity, and performance, and that none of its terms or provisions may be waived, altered, modified, or amended except as Bank may consent thereto in writing duly signed for and on its behalf.

12. JURISDICTION AND JURY TRIAL WAIVER.

12.1 Borrower hereby irrevocably consents that any suit, legal action, or proceeding against Borrower or any of its properties with respect to any of the rights or obligations arising directly or indirectly under or relating to this Agreement or any other Loan Document may be brought in any jurisdiction, including, without limitation, any New York State or United States Federal Court located in the Southern District of New York, as Bank may elect, and by execution and delivery of this Agreement, Borrower hereby irrevocably submits to and accepts with regard to any such suit, legal action, or proceeding, for itself and in respect of its property, generally and unconditionally, the jurisdiction of the aforesaid courts. Borrower hereby irrevocably consents to the service of process in any such suit, legal action, or proceeding by the mailing of copies thereof by registered or certified mail, postage prepaid, return receipt requested, to Borrower at its address set forth herein. The foregoing shall not limit the right of Bank to serve process in any other manner permitted by law or to bring any suit, legal action or proceeding or to obtain execution of judgment in any other jurisdiction.

12.2 Borrower hereby irrevocably waives any objection which Borrower may now or hereafter have to the laying of venue of any suit, legal action, or proceeding arising directly or indirectly under or relating to this Agreement or any other Loan Document in any state or federal court located in any jurisdiction, including without limitation, any state or federal court located in the Southern District of New York chosen by Bank in accordance with this Article 12 and hereby further irrevocably waives any claim that a court located in the Southern District of New York is not a convenient forum for any such suit, legal action, or proceeding.

12.3 Borrower hereby irrevocably agrees that any suit, legal action or proceeding commenced by Borrower with respect to any rights or obligations arising directly or indirectly under or relating to this Agreement or any other Loan Document (except as expressly set forth therein to the contrary) shall be brought exclusively in any New York State or United States Federal Court located in the Southern District of New York.

12.4 Borrower hereby waives any defense or claim based on marshaling of assets or election or remedies or guaranties.

12.5 Borrower and Bank (by its acceptance of this Agreement) hereby irrevocably waive all right to trial by jury in any action, proceeding, or counterclaim arising out of or relating to any obligation of Borrower or this Agreement or any other Loan Document.

13. GENERAL PROVISIONS.

13.1 Successors and Assigns. This Agreement shall bind and inure to the benefit of the respective successors and permitted assigns of each of the parties; provided, however, that neither this Agreement nor any rights hereunder may be assigned by Borrower without Bank's prior written consent, which consent may be granted or withheld in Bank's sole discretion. Bank shall have the right without the consent of or notice to Borrower to sell, transfer, negotiate, or grant participation in all or any part of, or any interest in, Bank's obligations, rights and benefits hereunder; provided, however, that any assignee shall be subject to the provisions of Section 2.3(c), and shall not be entitled to receive any greater payment under Section 2.3(c) than Bank would have been entitled to receive. Notwithstanding anything to the contrary contained herein, so long as no Event of Default has occurred and is continuing, Bank may not make an assignment, without Borrower's consent, to any direct competitor (whether as an operating company or direct or indirect parent with voting control over such operating company) of Borrower that Borrower has identified in prior writing to Bank, or to a vulture fund or distressed debt fund.

13.2 Indemnification. Borrower shall defend, indemnify, and hold harmless Bank and its officers, employees, and agents against: (a) all obligations, demands, claims, and liabilities claimed or asserted by any other party in connection with the transactions contemplated by this Agreement; and (b) all losses or Bank Expenses in any way suffered, incurred, or paid by Bank as a result of or in any way arising out of, following, or consequential to transactions between Bank and Borrower whether under this Agreement, or otherwise (including without limitation reasonable and documented out of pocket attorneys' fees and expenses), except for losses caused by Bank's gross negligence or willful misconduct. For the avoidance of doubt, Borrower shall not be required to indemnify Bank for Excluded Taxes.

13.3 Time of Essence. Time is of the essence for the performance of all obligations set forth in this Agreement.

13.4 Severability of Provisions. Each provision of this Agreement shall be severable from every other provision of this Agreement for the purpose of determining the legal enforceability of any specific provision.

13.5 Amendments in Writing; Integration. Neither this Agreement nor the Loan Documents can be amended or terminated orally. All prior agreements, understandings, representations, warranties, and negotiations between the parties hereto with respect to the subject matter of this Agreement and the Loan Documents, if any, are merged into this Agreement and the Loan Documents.

13.6 Counterparts/Acceptance. This Agreement may be executed in any number of counterparts and by different parties on separate counterparts, each of which, when executed and delivered, shall be deemed to be an original, and all of which, when taken together, shall constitute but one and the same Agreement. Bank hereby acknowledges and agrees that this Agreement has been executed and accepted by Bank in the State of New York.

13.7 Survival. All covenants, representations, and warranties made in this Agreement shall continue in full force and effect so long as any Obligations (other than inchoate indemnification Obligations) remain outstanding or Bank has any obligation to make Credit Extensions to Borrower. The obligations of Borrower to indemnify Bank with respect to the expenses, damages, losses, costs, and liabilities described in Section 13.2 shall survive until all applicable statute of limitations periods with respect to actions that may be brought against Bank have run.

13.8 Confidentiality. In handling any confidential information Bank and all employees and agents of Bank, including but not limited to accountants, shall exercise the same degree of care that it exercises with respect to its own proprietary information of the same types to maintain the confidentiality of any non-public information thereby received or received pursuant to this Agreement except that disclosure of such information may be made (a) to the subsidiaries or affiliates of Bank in connection with their present or prospective business relations with Borrower, (b) to prospective transferees or purchasers of any interest in the Loans (provided, however that Bank shall first have entered into a customary confidentiality agreement with such prospective transferee or purchaser at least as protective as the terms in this Section 13.8), (c) as required by law, regulations, rule or order, subpoena, judicial order, or similar order, (d) as may be required in connection with the examination, audit or similar investigation of Bank and (e) as Bank may determine in connection with the enforcement of any remedies hereunder. Confidential information hereunder shall not include information that either: (x) is in the public domain or in the knowledge or possession of Bank when disclosed to Bank, or becomes part of the public domain after disclosure to Bank through no fault of Bank; or (y) is disclosed to Bank by a third party, provided Bank does not have actual knowledge that such third party is prohibited from disclosing such information.

13.9 Patriot Act Notice. Bank notifies Borrower that, pursuant to the requirements of the USA Patriot Act, Title III of Pub. L. 107-56 (signed into law on October 26, 2001) (the "**Patriot Act**"), it is required to obtain, verify, and record information that identifies Borrower, which information includes names and addresses and other information that will allow Bank to identify Borrower in accordance with the Patriot Act.

13.10 Marketing Consent. Borrower hereby authorizes Bank and its affiliates, at their respective sole expense, with Borrower's prior review and written approval, to publish such tombstones and give such other publicity to this Agreement as each may from time to time determine in its sole discretion.

13.11 Reinstatement. This Agreement shall remain in full force and effect and continue to be effective should any petition or other proceeding be filed by or against Borrower for liquidation or reorganization, should Borrower become insolvent or make an assignment for the benefit of any creditor, or creditors or should an interim receiver, receiver, receiver and manager, or trustee be appointed for all or any significant part of Borrower's assets, and shall continue to be effective or to be reinstated, as the case may be, if at any time payment and performance

of the Obligations, or any part thereof, is, pursuant to applicable law, rescinded or reduced in amount, or must otherwise be restored or returned by any obligee of the Obligations, whether as a fraudulent preference reviewable transaction or otherwise, all as though such payment or performance had not been made. In the event that any payment, or any part thereof, is rescinded, reduced, restored, or returned, the Obligations shall be reinstated and deemed reduced only by such amount paid and not so rescinded, reduced, restored, or returned.

[Signature Page Follows]

IN WITNESS WHEREOF, the parties hereto have caused this Agreement to be executed as of the date first above written.

INARI MEDICAL, INC.

By: /s/ Mitch Hill
Name: Mitch Hill
Title: Chief Financial Officer

SIGNATURE BANK

By: /s/ Justin McDonie
Name: Justin McDonie
Title: Managing Director

EXHIBIT A

DEBTOR: **INARI MEDICAL, INC.**

SECURED PARTY: **SIGNATURE BANK**

COLLATERAL DESCRIPTION ATTACHMENT
TO LOAN AND SECURITY AGREEMENT

All personal property of Borrower (herein referred to as "Borrower" or "Debtor") whether presently existing or hereafter created or acquired, and wherever located, including, but not limited to:

(a) all accounts (including health-care-insurance receivables), chattel paper (including tangible and electronic chattel paper), deposit accounts, documents (including negotiable documents), equipment (including all accessions and additions thereto), general intangibles (including payment intangibles and software), goods (including fixtures), instruments (including promissory notes), inventory (including all goods held for sale or lease or to be furnished under a contract of service, and including returns and repossessions), investment property (including securities and securities entitlements), letter of credit rights, money, and all of Debtor's books and records with respect to any of the foregoing, and the computers and equipment containing said books and records;

(b) any and all cash proceeds and/or noncash proceeds of any of the foregoing, including, without limitation, insurance proceeds, and all supporting obligations and the security therefor or for any right to payment. All terms above have the meanings given to them in the New York Uniform Commercial Code, as amended or supplemented from time to time.

Notwithstanding the foregoing, the Collateral shall not include any copyrights, patents, trademarks, service marks, and applications therefor, now owned or hereafter acquired, or any claims for damages by way of any past, present, and future infringement of any of the foregoing (collectively, the "Intellectual Property"); provided, however, that the Collateral shall include all accounts and general intangibles that consist of rights to payment and proceeds from the sale, licensing or disposition of all or any part, or rights in, the foregoing (the "Rights to Payment"). Notwithstanding the foregoing, if a judicial authority (including a U.S. Bankruptcy Court) holds that a security interest in the underlying Intellectual Property is necessary to have a security interest in the Rights to Payment, then the Collateral shall automatically, and effective as of the Closing Date, include the Intellectual Property to the extent necessary to permit perfection of Bank's security interest in the Rights to Payment; provided, that Bank's enforcement rights with respect to any security interest in the Intellectual Property shall be absolutely limited to the Rights to Payment only, and Bank shall have no recourse whatsoever with respect to the underlying Intellectual Property.

SUBLICENSE AGREEMENT

THIS SUBLICENSE AGREEMENT (this "***Agreement***") dated as of August 1, 2019 (the "***Effective Date***"), is entered into between Inceptus Medical, LLC, a Delaware limited liability company ("***Inceptus***"), having a place of business at 8 Argonaut, Suite 100, Aliso Viejo, CA 92656, and Inari Medical, Inc., a Delaware corporation ("***Inari***"), having a place of business at 9272 Jeronimo Rd. #124, Irvine, CA 92618. The parties hereby agree as follows:

1. Definitions. All capitalized terms used in this Agreement but not otherwise defined will have the meaning ascribed to them in the Glossary of Terms attached as Exhibit A.

2. License.

2.1 License Grant. Subject to the terms and conditions of this Agreement, Inceptus grants to Inari a non-transferable (except in connection with Section 15.5), worldwide, exclusive sublicense under Inceptus' rights in the Patent Rights, to make, have made, use, import, offer for sale, sell and otherwise exploit Licensed Products in the Field of Use at all times prior to the end of the Term. The foregoing sublicense does not include the right to grant further sublicenses without Inceptus' (which shall not be unreasonably withheld, conditioned, or delayed) and Drexel's prior written consent and a mutually-agreed amendment to this Agreement. No other rights or licenses are granted by Inceptus under this Agreement, and Inari shall not use or exploit the Patent Rights except as licensed herein.

2.2 Reservation of Rights by Drexel. Inari acknowledges and agrees that, pursuant to the Drexel Agreement, Drexel has reserved the right to use, and to permit other non-commercial entities to use, the Patent Rights for educational and non-commercial research purposes.

2.3 U.S. Government Rights. The parties acknowledge that the United States government retains rights in intellectual property funded under any grant or similar contract with a Federal agency. The sublicense granted in Section 2.1 is expressly subject to all applicable United States government rights, including, but not limited to, any applicable requirement that products, which result from such intellectual property and are sold in the United States, must be substantially manufactured in the United States.

3. Diligence.

3.1 Inari's Efforts. Inari shall use commercially reasonable efforts to commercialize, market and sell Licensed Products, in a manner consistent with prudent industry practices.

3.2 Diligence Events Diligence Events. The parties acknowledge and agree that Inari has achieved each of the diligence events set forth below prior to the Effective Date.

DILIGENCE EVENT
Development of a working prototype of a Licensed Product
Make the first commercial sale of Licensed Products

4. Fees and Royalties.

4.1 Reimbursement Fee. Within thirty (30) days after the Effective Date, Inari shall pay Inceptus an amount equal to the sum of thirty-six thousand dollars ($36,000) plus the legal expenses set forth on Exhibit B (the "***Reimbursement Fee***"), which the parties acknowledge and agree is in consideration for and to reimburse Inceptus for out-of-pocket expenses relating to Licensed Product. The Reimbursement Fee is non-refundable and not creditable against any other amounts payable hereunder.

4.2 Administration Fee. Within thirty (30) days after the beginning of each Quarter and subject to the terms of this Section 4.2, Inari shall pay Inceptus an administration fee (the "***Administration Fee***") of an amount equal to eighteen thousand dollars ($18,000). Upon the earliest of (a) a Change in Control and (b) a Public Offering, the Administration Fee for each Quarter thereafter during the Term shall automatically increase to an amount equal to twenty nine thousand two hundred and fifty dollars ($29,250). The parties acknowledge and agree that the Administration Fee is in consideration for and to reimburse Inceptus for its reasonably anticipated costs and expenses to administer this Agreement and other related agreements, as for its reasonably anticipated legal costs related to the subject matter of this Agreement. The Administration Fees are non-refundable and not creditable against any other amounts payable hereunder.

4.3 Milestone Payments. Within thirty (30) days after the Effective Date, Inari shall pay Inceptus sixty-five thousand dollars ($65,000). Inceptus shall pay Drexel such amount within seventy-five (75) days after the Effective Date to satisfy Inceptus's obligations under Section 5.2 the Drexel Agreement.

4.4 Earned Royalties. Inari shall pay Inceptus for each Quarter (or portion thereof) during the Term a royalty equal to the applicable royalty rate, according to the table below, multiplied by the corresponding Net Sales for the Quarter (the "***Earned Royalties***").

Condition	Royalty Rate
Implantable Licensed Products	1.5%
Non-implantable, disposable Licensed Products	1.0%

4.5 Minimum Royalties. Inari shall pay Inceptus for each Quarter (or portion thereof) during the Term the amount, if any, that one thousand five hundred dollars ($1,500) exceeds the Earned Royalties for such Quarter.

4.6 Royalty Elimination. Notwithstanding anything to the contrary, Inari shall have no obligation to make any further payments pursuant to Section 4.2 or 4.4 beginning twelve (12) months after the license granted to Inceptus pursuant to the Drexel Agreement becomes royalty free pursuant to Section 10.2(b) of the Drexel Agreement.

5. Covenants Regarding Drexel Agreement. Inceptus agrees that, during the term of the Drexel Agreement:

5.1 Inceptus shall not modify or amend the Drexel Agreement in any way that would materially and adversely affect Inari;

5.2 Inceptus shall not terminate the Drexel Agreement until its expiration in accordance with its terms; and

5.3 Inceptus shall notify Inari of any notices of breach or termination from Drexel to Inceptus under the Drexel Agreement. If (a) Inceptus so notifies Inari, or if Inari otherwise becomes aware of a notice of breach or termination from Drexel to Inceptus under the Drexel Agreement and provides written notice thereof to Inceptus, and (b) Inceptus fails to cure such breach or termination within thirty (30) days thereafter, then Inari shall have the right, by providing prompt written notice thereof to Inceptus, to cure such breach or termination on behalf of Inceptus. If cure of such breach or termination requires payment to Drexel, then Inari may deduct an amount equal to such payment from the Administration Fee.

6. Reports and Payments.

6.1 Royalty Reports. Within (30) days after the end of each Quarter during the Term (or portion thereof, if applicable), Inari shall deliver to Inceptus a written report detailing the calculation of all royalties, fees and other payments due under Article 4 for such Quarter. Each such report shall include, at a minimum, the following information for the Quarter, each listed by product, by country: (a) the number of units of Licensed Products constituting Sales; (b) the gross sales price or fair market value of tangible assets (such as equipment or instruments) invoiced, billed, or received for Sales; (c) Qualifying Costs, listed by category of cost; (d) Net Sales; (e) the royalties, fees and other payments owed hereunder, listed by category; and (f) the computations for any applicable currency conversions. Each royalty report will be substantially in the form of the sample report attached as Exhibit C.

6.2 Payments. Inari shall pay all royalties, fees and other payments due under Sections 4.4 and 4.5 within forty five (45) days after the end of the applicable period or any sell-off period set forth in Section 7.6 in which the royalties, fees or other payments accrued.

6.3 Records. Inari shall maintain, and shall cause its Affiliates to maintain, complete and accurate books, records and related background information to verify Sales, Net Sales, and all of the royalties, fees, and other payments due or paid under this Agreement, as well as the various computations reported under Section 6.1. The records for each Quarter will be maintained for at least three (3) years after submission of the applicable report required under Section 6.1.

6.4 Audit Rights. Upon reasonable prior written notice to Inari, Inari and its Affiliates shall provide a third-party CPA firm selected by Drexel and reasonably acceptable to Inari with access to all of the books, records and related background information required by Section 6.3 to conduct a review or audit of Sales, Net Sales, and all of the royalties, fees, and other payments payable under this Agreement. Inari may require such CPA firm to execute a reasonable confidentiality agreement with Inari prior to commencing the audit (but such confidentiality agreement will allow such CPA firm to share with Inceptus the same information that it shares with Drexel). Access will be made available: (a) during normal business hours; (b) in a manner reasonably designed to facilitate Drexel's review or audit without unreasonable disruption to Inari's or its Affiliate's business; and (c) no more than once each calendar year during the Term and for a period of three (3) years thereafter. No accounting period shall be subject to audit more than one time unless any previous audit has revealed an underpayment to Inceptus by five percent

(5%) or more for the audited period. The CPA firm shall communicate to Drexel only whether the reports are correct or not and the specific details concerning any discrepancies. Inari shall promptly pay to Inceptus the amount of any underpayment determined by the review or audit, plus accrued interest as set forth below. If the review or audit determines that Inari has underpaid Inceptus by five percent (5%) or more for the audited period, then Inari shall also promptly reimburse the reasonable out-of-pocket costs and expenses of Drexel for the review or audit. If any review or audit determines that Inari has underpaid by five percent (5%) or more for the audited period, then at all times thereafter Inceptus shall have the right to audit Inari and its Affiliates to the same extent as, and on the same terms and conditions of, Drexel's right under this Section 6.4. To the extent (if at all) Inceptus receives financial information subject to review under this Section 6.4 it shall treat such information as Confidential Information of Inari.

6.5 Information Rights. Within thirty (30) days after the end of each calendar year during the Term, Inari shall provide to Inceptus a summary report of its efforts to commercialize the Licensed Products. Inceptus shall maintain the information under this Section 6.5 as confidential.

6.6 Currency. All dollar amounts referred to in this Agreement are expressed in United States dollars. All payments shall be made in United States dollars. If Inari receives payment from a third party in a currency other than United States dollars for which a royalty or fee is owed under this Agreement, then (a) the payment shall be converted into United States dollars at the conversion rate for the foreign currency as published in The Wall Street Journal, Eastern Edition, under the heading "Currency Trading" or any successor thereto on the last business day of the Quarter in which the payment was received by Inari, and (b) the conversion computation will be documented by Inari in the applicable report delivered under Section 6.1.

6.7 Interest. All amounts that are not paid by Inari when due will accrue interest from the date due until paid at a rate equal to one and one-half percent (1.5%) per month (or the maximum allowed by law, if less).

7. Confidentiality and Use of Name.

7.1 Confidential Information. "***Confidential Information***" means any and all confidential financial, commercial, operational, and other information provided by one party (the "***Disclosing Party***") to the other party hereunder (the "***Receiving Party***") directly or indirectly related to the exploitation of the Patent Rights or to a Licensed Product. Notwithstanding the foregoing, no technical information (whether commercial, operational, or otherwise) relating to the exploitation of the Patent Rights or a License Product ("***Technical Information***") shall be deemed the Confidential Information of Inceptus as a Disclosing Party. However, the foregoing sentence does not amend or supersede any confidentiality obligations of Inari pursuant to any other agreement between the parties.

7.2 ***Nondisclosure and Nonuse***. The Receiving Party shall hold all Confidential Information of the Disclosing Party in confidence and shall not disclose any such Confidential Information to any third party, except that Inceptus shall have the right to disclose Confidential Information only to Drexel (to the limited extent required under the Drexel Agreement) and to Inceptus' directors, officers, employees, agents, attorneys, auditors and contractors (collectively,

"***Representatives***"), in each case who have a need to know such Confidential Information and who are bound by restrictions regarding disclosure and use of the Confidential Information no less restrictive than those set forth herein. The Receiving Party shall not use any Confidential Information for the benefit of itself or any third party or for any purpose other than as provided herein and other than as reasonably necessary to comply with the Drexel Agreement.

7.3 Permitted Disclosure. The Receiving Party's nondisclosure obligations under Section 7.2 shall not apply to the extent that the Receiving Party is required to disclose information by applicable law, regulation or order of a governmental agency or court of competent jurisdiction; provided, however, that the Receiving Party shall provide reasonable advanced written notice thereof to the Disclosing Party, consult with the Disclosing Party with respect to such disclosure, provide the Disclosing Party with sufficient opportunity to object to any such disclosure or to request confidential treatment thereof, and cooperate with the Disclosing Party in objecting to, narrowing the scope of, or obtaining a protective order or confidential treatment of such disclosure, in each case, unless the Receiving Party is legally unable to do so. The foregoing restrictions on use and disclosure shall not apply to the extent any such Confidential Information (a) at the time of disclosure was already known to the Receiving Party as evidenced by written record predating such disclosure; (b) at the time of disclosure is generally available to the public or subsequently becomes available to the public other than by an act or omission on the part of the Receiving Party or its Representatives; or (c) is made available to the Receiving Party on a non-confidential basis from a source (other than either party or their respective agents) which is not prohibited from disclosing such Confidential Information to such party by legal, contractual, professional or fiduciary obligation.

7.4 Use of Name. Neither Inari, nor its employees or agents, may use the name, logo, seal, trademark, or service mark (including any adaptation of them) of Drexel without the prior written consent of Drexel.

8. Term and Termination.

8.1 Term. This Agreement will commence on the Effective Date and will continue until no Valid Claim remains in effect unless earlier terminated as set forth herein (the "Term").

8.2 Early Termination by Inari. Inari may terminate this Agreement at any time by providing sixty (60) days prior written notice thereof to Inceptus of such intention to terminate. Upon providing such written notice and subject to the provisions of Sections 8.5 and 8.6, Inari shall (a) begin ceasing to make, have made, use, offer for sale, sell and import all Licensed Products (with all such activities, subject to Section 8.6, ceasing upon the effective date of termination); and (b) pay all amounts then owed and not yet paid to Inceptus under this Agreement.

8.3 Early Termination by Inceptus. Inceptus may terminate this Agreement if: (a) Inari is more than thirty (30) days late in paying to Inceptus any amounts owed under this Agreement after receipt of written notice thereof from Inceptus and does not promptly pay Inceptus in full, including accrued interest, upon demand; (b) Inari materially breaches this Agreement and does not cure the breach within thirty (30) days after written notice of the breach; (c) Inari experiences a Trigger Event; or (d) Inari or its Affiliate challenges, directly or indirectly, the validity or enforceability of any of the Patent Rights before any court, arbitrator or other tribunal

or administrative agency in any jurisdiction, except as a defense or counterclaim to a patent infringement claim. In addition, if Inari ceases bona fide development and commercialization of all Licensed Products for a period of six(6) consecutive months (other than as a result of bona fide regulatory holds or safety concerns), then (i) Inari shall provide prompt written notice thereof to Inceptus ("Cessation Notice") and (ii) thereafter, Inceptus shall have the right to terminate this Agreement by providing Inari, within (30) days after receipt of such Cessation Notice, with thirty (30) days' prior written notice of termination unless Inari subsequently resumes bona fide development or commercialization of a Licensed Product during such thirty (30)-day notice period. If, at any time thereafter, Inari ceases bona fide development and commercialization of all Licensed Products for another period of six (6) consecutive months (other than as a result of bona fide regulatory holds or safety concerns), then Inari shall provide another Cessation Notice promptly to Inceptus and Inceptus shall have the right to terminate this Agreement by providing Inari, within (30) days after receipt of such Cessation Notice, with thirty (30) days' prior written notice of termination. For clarity, Inari's failure to provide a Cessation Notice when required shall constitute a material breach for purposes of the first sentence of this Section 8.3 and termination of this Agreement in accordance with the first sentence of Section 8.3 shall be Inceptus's sole and exclusive remedy (and Inari's sole and exclusive liability) for failure to deliver a Cessation Notice.

8.4 Termination of Drexel Agreement. This Agreement shall automatically terminate upon the expiration or termination of the Drexel Agreement.

8.5 Effect of Termination. Upon the termination of this Agreement for any reason: (a)the sublicense granted hereunder terminates (except to the extent reasonably necessary for Inari to exercise its rights under Section 8.6); (b) Inari shall pay to Inceptus all documented amounts, including accrued interest, owed to Inceptus under this Agreement through the date of termination; and (c) all rights but not duties of the parties under this Agreement immediately terminate, except as set forth herein, without further action required by either party.

8.6 Inventory & Sell Off. Upon the termination of this Agreement for any reason, Inari shall cause, within thirty (30) days after termination, physical inventories to be taken of: (a) all completed Licensed Products on hand under the control of Inari or its Affiliates; and (b) such Licensed Products as are in the process of manufacture and any component parts on the date of termination of this Agreement. Inari shall deliver promptly to Inceptus a copy of the written inventory. Upon termination of this Agreement for any reason, Inari shall promptly remove, efface or destroy all references to Drexel (and Inceptus, upon Inceptus' reasonable request) from any advertising, labels, web sites or other materials used in the promotion of the business of Inari or its Affiliates , and Inari and its Affiliates shall not represent in any manner that it has rights in or to the Patent Rights or the Licensed Products. Upon the termination of this Agreement for any reason, Inari may sell off its inventory of Licensed Products existing on the date of termination for a period of twelve (12) months and pay Inceptus royalties on Sales of such inventory within forty-five (45) days following the expiration of such twelve (12) month period on the terms and conditions hereunder.

8.7 Survival. Inari's obligations to pay all documented amounts, including accrued interest, owed to Inceptus under this Agreement will survive the expiration or termination of this Agreement for any reason, and (b) Articles 6 (solely as set forth therein), 7, 12, 13 and 15 and Sections 8.5, 8.6, and 8.7, shall survive the expiration or termination of this Agreement for any reason.

9. Drexel Agreement. Inari represents and warrants to Inceptus that it has received a copy of and has read the Drexel Agreement as entered into on May 4, 2018 (but not any amendments thereto). Inari shall, and shall cause its Affiliates to, (a) comply with all terms of the Drexel Agreement applicable to a sublicensee and (b) not perform any act or omission that would be reasonably likely to cause a breach of the Drexel Agreement. For clarity, the foregoing does not require Inari to make any payment to Drexel under the Drexel Agreement.

10. Infringement.

10.1 Notice. Inari and Inceptus shall notify each other promptly of any actual or reasonably likely infringement of the Patent Rights occurring on a substantial and continuing basis based on the commercial sale of products or services that may come to each party's attention, and each party shall consult with the other party in a timely manner concerning any appropriate response to the infringement.

10.2 Prosecution by Inari. As between the parties, Inari shall have the first right (but not the obligation) to prosecute any infringement of the Patent Rights in the applicable Field of Use at Inari's expense, subject to the following:

10.2.1 If Inari elects to commence an action and neither Inceptus nor Drexel is a legally indispensable party to such action (as determined in accordance with applicable law), then (a) Inari shall provide written notice thereof to Inceptus and Drexel, (b) Inceptus and Drexel shall each have the right to be represented in any such action at their sole discretion and at their sole expense, and (c) Inceptus shall cooperate with Inari, as reasonably requested by Inari, in connection with such action.

10.2.2 If Inari elects to commence an action and Inceptus is a legally indispensable party to such action (as determined in accordance with applicable law), then Inari shall provide written notice thereof to Inceptus but may only join Inceptus to such action upon Inceptus' written consent. If Inceptus is so joined, then (a) Inceptus shall cooperate with Inari, as reasonably requested by Inari, in connection with any such action, and (b) Inari shall reimburse Inceptus' Litigation Expenditures on an ongoing Quarterly basis, within thirty (30) days of submission of actual invoices, such invoices to be provided within thirty (30) days after the end of each applicable Quarter. If, pursuant to the first sentence of this subsection, Inceptus does not provide such written consent to Inari within thirty (30) days after Inari's written notice to Inceptus, then, notwithstanding anything to the contrary in this Agreement, the sublicense granted hereunder shall become fully paid-up and royalty and payment free, and the provisions of Sections 4.3, 4.4, 4.5, and the corresponding obligations in this Agreement related to such sections, shall automatically terminate.

10.2.3 If Inari elects to commence an action and Drexel is a legally indispensable party to such action (as determined in accordance with applicable law), then Inceptus shall use commercially reasonable efforts to assist Inari in requesting that Drexel join such action. If Drexel does not so join such action and as a result thereof Inceptus' License (as defined in the Drexel Agreement) becomes fully paid-up and royalty and payment free, then the sublicense granted hereunder shall become fully paid-up and royalty and payment free, and the provisions of Sections 4.3, 4.4, 4.5, and the corresponding obligations in this Agreement related to royalty payments, shall automatically terminate.

10.2.4 Inari shall not settle or compromise any such action in a manner that imposes any obligations or restrictions on Inceptus or Drexel without Inceptus' or Drexel's (as applicable) prior written consent. Inceptus shall not unreasonably withhold, condition, or delay its consent.

10.2.5 Financial recoveries from any action brought by Inari pursuant to this Section 10.2, to the extent attributed to infringement of the Patent Rights, will be (a) first, applied to reimburse Inari for its applicable Litigation Expenditures; (b) second, applied to reimburse Inceptus for its applicable Litigation Expenditures incurred or paid to Drexel, in each case, not previously paid by Inari (if applicable); (c) third, applied to reimburse Drexel for any of its applicable Litigation Expenditures not previously paid by Inceptus or Inari (if applicable); and (d) fourth, as to any remainder, retained by Inari but treated as Net Sales for the purpose of determining the royalties due under Section 4.4.

10.3 Prosecution by Inceptus. If Inari elects not to file an action pursuant to Section 10.2 (and such election is not due to Inceptus' or Drexel's failure to provide written consent to be joined to such action), then Inari shall provide written notice thereof to Inceptus within forty-five (45) days after notice is provided pursuant to Section 10.1. Upon receipt of written notice under this Section 10.3, Inceptus shall have the right (but not the obligation) to prosecute such infringement at its own expense subject to the following:

10.3.1 Inari shall cooperate with Inceptus, as reasonably requested by Inceptus, in connection with any such action, and Inceptus shall reimburse Inari's Litigation Expenditures (if any) on an ongoing Quarterly basis, within thirty (30) days of submission of actual invoices, such invoices to be provided within thirty (30) days after the end of each applicable Quarter.

10.3.2 Inceptus shall not settle or compromise any such action in a manner that imposes any obligations or restrictions on Inari without Inari's prior written consent, not to be unreasonably withheld, delayed or conditioned.

10.3.3 Financial recoveries from any such action, to the extent attributed to infringement of the Patent Rights, will be (a) first, applied to reimburse Inceptus for its applicable Litigation Expenditures; (b) second, applied to reimburse Drexel for its Litigation Expenditures, if any; (c) third, applied to Inari for any of its applicable Litigation Expenditures not previously paid by Inceptus (if applicable); and (d) fourth, as to any remainder, retained by Inceptus.

10.4 Cooperation. In any litigation under this Article 10, each party, at the request and expense of the other party, shall cooperate to the fullest extent reasonably possible; provided, that nothing herein shall permit either party to require the other party to join in any litigation respecting the Patent Rights, the Licensed Products or any other technology licensed under this Agreement. This Section 10.4 will not be construed to require either party to undertake any activities, including legal discovery or to join in any litigation, at the request of any third party, except as may be required by lawful process of a court of competent jurisdiction.

10.5 Prosecution by Drexel. The parties acknowledge and agree that Drexel has retained certain rights regarding the prosecution of any infringements of the Patent Rights under the Drexel Agreement, and nothing herein shall limit or otherwise alter Drexel's rights under Article 10 of the Drexel Agreement.

11. Representations and Warranties.

11.1 Mutual Representations and Warranties. Each party represents and warrants to the other party as follows:

11.1.1 Such party is duly organized, validly existing and in good standing under the laws of the jurisdiction in which it is organized.

11.1.2 Such party (a) has the requisite power and authority and the legal right to enter into this Agreement and to perform its obligations hereunder; and (b) has taken all requisite action on its part to authorize the execution and delivery of this Agreement and the performance of its obligations hereunder. This Agreement has been duly executed and delivered on behalf of such party, and constitutes a legal, valid, binding obligation, enforceable against such party in accordance with its terms.

11.1.3 The execution and delivery of this Agreement and the performance of such party's obligations hereunder do not conflict with, or constitute a default under, any contractual obligation of such party.

11.2 Inceptus Representations.

11.2.1 As of the Effective Date, there have been no amendments to the Drexel Agreement.

11.2.2 Inceptus has not granted, nor shall Inceptus grant during the Term, any licenses or other rights in any Patent Rights that conflict with the rights granted to Inari under this Agreement.

11.3 DISCLAIMER. EXCEPT AS SET FORTH HEREIN, THE PATENT RIGHTS ARE PROVIDED ON AN "AS IS" BASIS, AND NEITHER PARTY MAKES ANY OTHER REPRESENTATIONS OR WARRANTIES, EXPRESS OR IMPLIED, INCLUDING BUT NOT LIMITED TO ANY WARRANTY OF ACCURACY, COMPLETENESS, PERFORMANCE, MERCHANTABILITY, FITNESS FOR A PARTICULAR PURPOSE, COMMERCIAL UTILITY, OR NON-INFRINGEMENT.

12. LIMITATION OF LIABILITY. NONE OF INCEPTUS, ITS AFFILIATES OR DREXEL SHALL BE LIABLE TO INARI, ITS AFFILIATES, SUCCESSORS OR ASSIGNS, OR ANY THIRD PARTY WITH RESPECT TO ANY CLAIM: (A) ARISING FROM INARI'S OR ANY AFFILIATE'S, SUCCESSOR'S, OR ASSIGN'S OR OTHER THIRD PARTY'S USE OR EXPLOITATION OF THE PATENT RIGHTS, THE LICENSED PRODUCTS OR ANY

OTHER TECHNOLOGY LICENSED UNDER THIS AGREEMENT; OR (B) ARISING FROM THE DEVELOPMENT, TESTING, MANUFACTURE, USE OR SALE OF LICENSED PRODUCTS. EXCEPT FOR INARI'S INDEMNIFICATION OBLIGATIONS PURSUANT TO SECTION 13.1 TO THE EXTENT OF AMOUNTS ASSERTED BY A THIRD PARTY IN A CLAIM, NEITHER PARTY WILL BE LIABLE TO THE OTHER PARTY FOR ANY LOST PROFITS, BUSINESS INTERRUPTION, OR INDIRECT, SPECIAL OR CONSEQUENTIAL DAMAGES OF ANY KIND, WHETHER FORESEEABLE OR NOT, ARISING OUT OF THIS AGREEMENT. NOTWITHSTANDING ANYTHING TO THE CONTRARY HEREIN, DREXEL SHALL NOT BE LIABLE TO INARI OR ITS AFFILIATES FOR ANY LOST PROFITS, BUSINESS INTERRUPTION, OR INDIRECT, SPECIAL OR CONSEQUENTIAL DAMAGES OF ANY KIND, WHETHER FORESEEABLE OR NOT, ARISING OUT OF THIS AGREEMENT.

13. Indemnification.

13.1 Indemnification. Inari shall defend, indemnify and hold harmless each Indemnified Party from and against any and all Liabilities incurred as a result of an Indemnification Event.

13.2 Procedures. Inceptus (or a different Indemnified Party, as applicable) shall promptly notify Inari in writing of any such Indemnification Event; provided that the Indemnified Party's failure or delay in providing such notice will not affect such Indemnified Party's right to indemnification hereunder except in the event that Inari has been materially prejudiced by such failure or delay. Inari shall have the right to control the defense of all Indemnification Events hereunder. The Indemnified Party shall cooperate with Inari as reasonably requested, at Inari's sole cost and expense. Inari shall not settle or compromise any Claim giving rise to Liabilities in any manner that imposes any restrictions or obligations on such Indemnified Party without such Indemnified Party's prior written consent, which shall not be unreasonably withheld, conditioned or delayed. If Inari fails or declines to assume the defense of any Claim within thirty (30) days after notice of the Claim, then the Indemnified Party may assume the defense of such Claim for the account and at the expense of Inari. The indemnification rights of the Indemnified Parties under this Article 13 are in addition to all other rights that an Indemnified Party may have at law, in equity or otherwise.

14. Insurance.

14.1 Coverages. Inari shall procure and maintain insurance policies for the following coverages with respect to personal injury, bodily injury and property damage arising out of Inari's performance under this Agreement:

14.1.1 During the Term, commercial general liability, including contractual liability, in a minimum amount of $1,000,000 combined single limit per occurrence and in the aggregate;

14.1.2 As of the Effective Date and for the remainder of the Term, clinical trials coverage (including products/completed operations) with separate dedicated limits specific to each clinical trial in a minimum amount of $5,000,000 combined single limit per occurrence and in the aggregate; and

14.1.3 As of the Effective Date and for the remainder of the Term, product liability insurance, in a minimum amount of $2,000,000 combined single limit per occurrence and in the aggregate.

The parties will review and discuss periodically the adequacy of the minimum amounts of insurance for each coverage required by this Section 14.1 in good faith, with any adjustment determined by mutual written agreement of the parties. The required minimum amounts of insurance do not constitute a limitation on Inari's liability or indemnification obligations under this Agreement.

14.2 Other Requirements. The policies of insurance required by Section 14.1 shall be issued by an insurance carrier with an A.M. Best rating of "A" or better and shall name Drexel and Inceptus as additional insureds with respect to Inari's performance under this Agreement. Inari shall provide Inceptus and Drexel with insurance certificates evidencing the required coverage within thirty (30) days after the Effective Date and the commencement of each policy period and any renewal periods. Each certification shall provide that the insurance carrier will notify Drexel and Inceptus in writing at least thirty (30) days prior to the cancellation or material change in coverage.

15. Additional Provisions.

15.1 Independent Contractors. The parties and Drexel are independent contractors. Nothing contained in this Agreement is intended to create an agency, partnership or joint venture between the parties or Drexel. At no time will either party make commitments or incur any charges or expenses for or on behalf of the other party or Drexel.

15.2 No Discrimination. Neither party shall discriminate against any employee or applicant for employment because of race, color, sex, sexual or affectional preference, age, religion, national or ethnic origin, handicap, or veteran status.

15.3 Compliance with Laws. Inari shall comply with all prevailing laws, rules and regulations that apply to its activities or obligations under this Agreement. For example, Inari shall comply with applicable United States export laws and regulations. The transfer of certain technical data and commodities may require a license from the applicable agency of the United States government and/or written assurances by Inari that Inari will not export data or commodities to certain foreign countries without prior approval of the agency. Inceptus does not represent that no license is required, or that, if required, the license will issue.

15.4 Modification, Waiver & Remedies. This Agreement may only be modified by a written amendment that is executed by an authorized representative of each party. Any waiver must be express and in writing. No waiver by either party of a breach by the other party will constitute a waiver of any different or succeeding breach. Unless otherwise specified, all remedies are cumulative.

15.5 Assignment & Hypothecation. Inari may not assign this Agreement, or its rights or obligations hereunder, without the prior written consent of Inceptus, not to be unreasonably withheld or delayed. Notwithstanding the foregoing, Inari may, without such consent, assign this Agreement (a) to any Affiliate, or (b) in connection with the transfer or sale of all or substantially all of its business to which this Agreement relates, or in the event of its merger, consolidation, Change in Control or similar transaction; provided, however, that (i) the assignee (if any) agrees in writing to be legally bound by this Agreement within forty-five (45) days after the closing of the proposed transaction, and (ii) Inari provides Inceptus with a copy of assignee's undertaking. For clarity, an entity that acquires Inari in a Change of Control shall not be required to be legally bound to this Agreement if Inari remains a party to this Agreement after such Change of Control and such entity is not an assignee. Any permitted assignment will not relieve Inari of responsibility for performance of any obligation of Inari that has accrued prior to the assignment. Inari shall not grant a security interest in the sublicense granted hereunder, to the Patent Rights, or to this Agreement. Any prohibited assignment or security interest will be null and void. Inceptus may freely assign this Agreement, in whole or in part, without Inari's prior consent. Subject to the foregoing, this Agreement shall be binding upon and inure to the benefit of the parties and their respective successors and permitted assigns.

15.6 Notices. Any Notice must be in writing, addressed to the party's respective Notice Address, and delivered: (a) personally; (b) by certified mail, postage prepaid, return receipt requested; or (c) by recognized overnight courier service, charges prepaid. A Notice will be deemed received: if delivered personally, on the date of delivery; if mailed, five (5) days after deposit in the United States mail; or if sent via courier, one (1) business day after deposit with the courier service.

15.7 Severability & Reformation. If any provision of this Agreement is held to be invalid or unenforceable by a court of competent jurisdiction, then the remaining provisions of this Agreement will remain in full force and effect. Such invalid or unenforceable provision will be automatically revised to be a valid or enforceable provision that comes as close as permitted by law to the parties' original intent.

15.8 Headings & Counterparts. The headings of the articles and sections included in this Agreement are inserted for convenience only and are not intended to affect the meaning or interpretation of this Agreement. This Agreement may be executed in several counterparts, all of which taken together will constitute the same instrument.

15.9 Governing Law. This Agreement will be governed in accordance with the laws of the Commonwealth of Pennsylvania, without giving effect to the conflict of law provisions of any jurisdiction.

15.10 Integration. This Agreement with its Exhibits contains the entire agreement between the parties with respect to the Patent Rights and the sublicense thereto and supersedes all other oral or written representations, statements, or agreements with respect to such subject matter.

[*Signature Page Follows*]

IN WITNESS WHEREOF, the parties hereto have each caused this Agreement to be executed by their duly-authorized representatives and delivered as of the Effective Date.

INCEPTUS MEDICAL, LLC

By: /s/ Robert Rosenbluth
Name: Robert Rosenbluth
Title: President

INARI MEDICAL, INC.

By: /s/ William H. Hoffman
Name: William H. Hoffman
Title: CEO

EXHIBIT A

Glossary of Terms

"***Affiliate***" means a legal entity that is controlling, controlled by or under common control with Inari and that has executed either this Agreement or a written joinder agreement agreeing to be bound by all of the terms and conditions of this Agreement. For purposes of this definition, the word "*control*" means (a) the direct or indirect ownership of more than fifty percent (50%) of the outstanding voting securities of a legal entity, (b) the right to receive fifty percent (50%) or more of the profits or earnings of a legal entity, or (c) the right to determine the policy decisions of a legal entity. Notwithstanding the foregoing, for purposes of this Agreement, neither Inceptus nor Inari shall be Affiliates of the other or of the other's Affiliates.

"***Change in Control***" means (a) a transaction or series of related transactions that result in the sale, transfer or other disposition to a third party of all or substantially all of Inari's assets; (b) a merger or consolidation with a third party in which Inari is not the surviving corporation or in which, if Inari is the surviving corporation, the stockholders of Inari immediately prior to the consummation of such merger or consolidation do not, immediately after consummation of such merger or consolidation, possess a majority of the voting power of all of Inari's outstanding stock and other securities and the power to elect a majority of the members of Inari's board of directors; or (c) a transaction or series of related transactions with a third party if the stockholders of Inari immediately prior to the initial such transaction do not, immediately after consummation of such transaction or any of such related transactions, possess (either directly or indirectly) a majority of the voting power of all of Inari's outstanding stock and other securities and the power to elect a majority of the members of Inari's board of directors.

"***Claim***" means any charges, complaints, actions, suits, proceedings, hearings, investigations, claims or demands by an unaffiliated third party.

"***ClotTriever***" means the "ClotTriever Thrombectomy System" as described in 510(k) Number K182531.

"***Drexel***" means Drexel University, a Pennsylvania nonprofit corporation.

"***Drexel Agreement***" means that certain Intellectual Property License Agreement entered into by and between Inceptus and Drexel on May 4, 2018, as amended or restated from time to time.

"***Field of Use***" means (a) with respect to ClotTriever, the non-surgical removal of soft thrombi and emboli from blood vessels in the peripheral vasculature and/or injection, infusion, and/or aspiration of contrast media and other fluids into or from a blood vessel, and (b) otherwise, the treatment of embolism and thrombosis in human vasculature other than carotid arteries, coronary vasculature and cerebral vasculature (but, for clarity, excluding treatment of any state or condition (other than of embolism or thrombosis) in any and all blood vessels by occlusion or embolization).

"***Indemnification Event***" means any Claim against one or more Indemnified Parties to the extent resulting from: (a) distribution or other disposition of any Patent Rights, Licensed Products by or on behalf of Inari, its Affiliates, assignees, vendors or other third parties, including, but not limited to, (i) any product liability or other Claim of any kind related to use by a third party of a Licensed Product within the Field of Use, (ii) any Claim by a third party that the use of the any Patent Rights or that the design, composition, manufacture, use, sale distribution, or other disposition or exploitation of any Licensed Product infringes, misappropriates, or violates any patent right, intellectual property rights, or other proprietary right of such third party, and (iii) any Claim by a third party relating to any clinical trials or studies for Licensed Products within the Field of Use; and (b) any breach of this Agreement by or on behalf of Inari or its Affiliates.

"***Indemnified Party***" means Inceptus, its affiliates, Drexel, and their respective shareholders, officers, directors, trustees, faculty, agents, contractors, employees and students.

"***Liabilities***" means all damages, awards, deficiencies, settlement amounts, defaults, assessments, fines, dues, penalties, reasonable costs, fees, liabilities, obligations, taxes, liens, losses, and reasonable expenses (including, but not limited to, court costs, interest and reasonable fees of attorneys, accountants and other experts) that are incurred by an Indemnified Party or awarded or otherwise required to be paid to third parties by an Indemnified Party.

"***Licensed Products***" means products that are made, made for, used, imported, offered for sale, sold, distributed, or are prepared by or on behalf of Inari or its Affiliates that: (a) in the absence of this Agreement, would infringe a Valid Claim of any of the Patent Rights; (b) are made inside the United States using a process or machine that in absence of the Agreement would infringe a Valid Claim of the Patent Rights; or (c) are made outside the United States and imported for sale in the United States, and are made using a process or machine that if used in the United States, in the absence of the Agreement would infringe a Valid Claim of the Patent Rights; but excluding such products (other than ClotTriever) that are labeled for use (i) to treat embolism or thrombosis in carotid arteries, coronary vasculature or cerebral vasculature or (ii) to treat any state or condition (other than embolism or thrombosis) in any and all blood vessels by occlusion or embolization. For clarity, any ClotTriever product that is not covered by any of clause (a), (b) or (c) above is not a Licensed Product.

"***Litigation Expenditures***" means: reasonable attorneys' fees, court costs, local counsel fees, deposition costs, subpoena costs, court reporter costs, expert fees, and other reasonable expenses directly incurred for investigation or litigation of claims, actions or other proceedings.

"***Net Sales***" means the gross sales price invoiced by Inari or its Affiliates for the Sale of Licensed Products, less documented Qualifying Costs using generally accepted accounting principles (GAAP). Sales among Inari or its Affiliates for resale to other third parties shall not be included in the definition of Net Sales but the subsequent resale of such Licensed Products shall be included.

"***Notice***" means any notice or other required written communication under this Agreement.

"***Notice Address***" means

For Inari:

9272 Jeronimo Road, Suite 124
Irvine CA 92618

For Inceptus:

8 Argonaut, Suite 100
Aliso Viejo, CA 92656

"***Patent Rights***" means Inceptus' rights in all patent rights represented by or issuing from: (a) the United States patents and patent applications listed on Exhibit D; (b) any continuation, continuation-in-part, or divisional claiming priority to, or common priority with, the patents or patent applications of (a), (c) any foreign counterparts and extensions of (a) or (b), and (d) any reissues, reexaminations, renewals or additions of (a) through (c).

"***Public Offering***" means the first sale of common stock of Inari to the general public pursuant to a registration statement filed with and declared effective by the Securities and Exchange Commission under the Securities Act of 1933, as amended, or first becoming subject to the reporting obligations under the Securities and Exchange Act of 1934, as amended.

"***Qualifying Costs***" means, with respect to the Sale of Licensed Product, the sum of (a) cash, quantity and trade discounts, rebates, and other price reductions for Licensed Product given under price reduction programs; (b) credits, allowances, discounts, rebates, and chargebacks for nonconforming, damaged, outdated, or returned Licensed Product; (c) freight and insurance costs incurred in transporting Licensed Products; (d) sales, use, value-added, and other direct taxes incurred on the Sale of Licensed Product, and (e) customs duties, tariffs, surcharges, and other governmental charges incurred in exporting or importing Licensed Product.

"***Quarter***" means each period of three full calendar months beginning on January l, April l, July 1 and October 1.

"***Sale***" means any bona fide transaction for which consideration is received or expected by Inari or its Affiliate for the sale, use, lease, transfer or other disposition of a Licensed Product to a third party. A Sale is deemed completed at the time that Inari or its Affiliate invoices, ships or receives payment for a Licensed Product, whichever occurs first.

"***Term***" means the term of this Agreement set forth in Section 8.1.

"***Trigger Event***" means any of the following: (a) a material default by Inari under the sublicense granted by Inceptus to Inari pursuant to Article 2 of this Agreement that is not cured during the applicable cure period; (b) if Inari (i) becomes bankrupt, (ii) is adjudicated to be bankrupt, (iii) suffers the appointment of a custodian, receiver or trustee for it or its property and, if appointed without its consent, not discharged within thirty (30) days, (iv) makes an assignment for the benefit of creditors, or (v) suffers proceedings being instituted against it under any law related to bankruptcy, liquidation or the reorganization, readjustment or release of debtors and, if contested by it, not dismissed or stayed within ninety (90) days; (c) the institution or commencement by Inari of any proceeding under any law related to bankruptcy, liquidation or the

reorganization, readjustment or release of debtors; (d) the entering of any order for relief relating to any of the proceedings described in (b) or (c) above; (e) the calling by Inari of a meeting of its creditors with a view to arranging a composition or adjustment of its debts; or (f) the act or failure to act by Inari indicating its consent to, approval of or acquiescence in any of the proceedings described in (b) – (e) above.

"***Valid Claim***" means a claim of an issued and unexpired patent included within the Patent Rights, which has not been held permanently revoked, unenforceable or invalid by a decision of a court or other governmental agency of competent jurisdiction, unappealable or unappealed within the time allowed for appeal, and which has not been admitted to be invalid or unenforceable through reissue or disclaimer or otherwise.

[*Remainder of Page Intentionally Left Blank.*]

EXHIBIT D

Patent and Patent Applications in Patent Rights

Patent Name	Registration No./ Application No.
1. Method and apparatus for braiding micro strands	United States issued patent 8,534,176

[*Remainder of Page Intentionally Left Blank.*]

Exhibit 10.10

AMENDED AND RESTATED SERVICES AGREEMENT

THIS AMENDED AND RESTATED SERVICES AGREEMENT (together with the exhibits hereto, as may be amended or restated from time to time, this "Agreement") dated as of February 1, 2018 (the "Restatement Date"), is entered into between INCEPTUS MEDICAL, LLC, a Delaware limited liability company ("Inceptus"), with a place of business at 8 Argonaut, Suite 100, Aliso Viejo, California 92656, and INARI MEDICAL, INC., a Delaware corporation ("Inari"), with a place of business at 9272 Jeronimo Road, Suite 124, Irvine, California 92618.

WHEREAS, the parties entered into the Technology Agreement (the "Original Technology Agreement") effective September 15, 2011;

WHEREAS, the parties entered into the Services Agreement (the "Original Services Agreement") effective December 5, 2014 (the "Effective Date"); and

WHEREAS, the parties now desire to amend the Original Technology Agreement and the Original Services Agreement in certain respects, and for convenience to restate the Original Technology Agreement and the Original Services Agreement, on the terms and conditions set forth in this Agreement and the Technology Agreement (as defined below).

NOW, THEREFORE, in consideration of the mutual promises and covenants set forth below and other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, the parties hereby amend and restate the Original Services Agreement, and otherwise agree, as follows effective as of the Effective Date:

1. Definitions. For the purposes of this Agreement, the following terms shall have the respective meanings set forth below, and grammatical variations of such terms shall have corresponding meanings.

1.1 "Affiliate" shall mean, with respect to any Person, any other Person which directly or indirectly controls, is controlled by, or is under common control with, such Person. A Person shall be regarded as in control of another Person if it owns, or directly or indirectly controls, more than fifty percent (50%) of the voting stock or other ownership interest of the other Person, or if it directly or indirectly possesses the power to direct or cause the direction of the management and policies of the other Person by any means whatsoever. Notwithstanding the foregoing, for purposes of this Agreement, (a) neither Inceptus nor Inari shall be Affiliates of the other or the other's Affiliates, and (b) any portfolio company of Inceptus shall not be an Affiliate of Inceptus or Inari.

1.2 "Change of Control" shall mean (a) a transaction or series of related transactions that result in the sale, transfer or other disposition to a Third Party of all or substantially all of Inari's assets; (b) a merger or consolidation with a Third Party in which Inari is not the surviving corporation or in which, if Inari is the surviving corporation, the stockholders of Inari immediately prior to the consummation of such merger or consolidation do not, immediately after consummation of such merger or consolidation, possess a majority of the voting power of all of Inari's outstanding stock and other securities and the power to elect a majority of the members of Inari's board of directors; or (c) a transaction or series of related transactions with a Third Party if the stockholders of Inari immediately prior to the initial such transaction do not, immediately after consummation of such transaction or any of such related transactions, own stock or other securities of the entity that possess a majority of the voting power of all of Inari's outstanding stock and other securities and the power to elect a majority of the members of Inari's board of directors.

1.3 "Confidential Information" shall mean all information and data that (a) is provided by one party to the other party under this Agreement, and (b) if disclosed in writing or other tangible medium is marked or identified as confidential at the time of disclosure to the recipient, is acknowledged at the time of disclosure to be confidential, or otherwise should reasonably be deemed to be confidential. Notwithstanding the foregoing, Confidential Information of a party shall not include that portion of such information and data which, and only to the extent, the recipient can establish by written documentation (i) is known to the recipient prior to receipt thereof from the disclosing party, (ii) is disclosed to the recipient free of confidentiality obligations by a third person who has the right to make such disclosure, (iii) is or becomes part of the public domain through no fault of the recipient, or (iv) is independently developed by persons on behalf of the recipient without access to or use of the information disclosed by the disclosing party.

1.4 "Public Offering" shall mean the first sale of common stock of Inari to the general public pursuant to a registration statement filed with and declared effective by the Securities and Exchange Commission under the Securities Act of 1933, as amended.

1.5 "Services" shall mean the services described in a Work Plan.

1.6 "Technology Agreement" shall mean that certain Amended and Restated Technology Agreement dated as of the Restatement Date entered into between the parties (as amended or restated from time to time). All terms used, but not defined herein, shall have the respective meanings set forth in the Technology Agreement.

1.7 "Third Party" shall mean any Person other than Inceptus, Inari or their respective Affiliates.

1.8 "Work Plan" shall mean a written work plan in the form of Exhibit A that (a) specifically references this Agreement, (b) sets forth a description of the research and development services to be performed by Inceptus for Inari, and the payment obligations in consideration for such services, and (c) is duly executed and delivered by both parties (as amended or restated from time to time by mutual written agreement of the parties).

2. Representations and Warranties.

2.1 By Each Party. Each party represents and warrants to the other party as follows:

2.1.1 Such party is duly organized, validly existing and in good standing under the laws of the jurisdiction in which it is organized.

2.1.2 Such party (a) has the requisite power and authority and the legal right to enter into this Agreement and to perform its obligations hereunder, and (b) has taken all necessary action on its part to authorize the execution and delivery of this Agreement and the performance of its obligations hereunder. This Agreement has been duly executed and delivered on behalf of such party and constitutes a legal, valid, binding obligation, enforceable against such party in accordance with its terms.

2.1.3 All necessary consents, approvals and authorizations of all governmental authorities and other Persons required to be obtained by such party in connection with this Agreement have been obtained.

2.1.4 The execution and delivery of this Agreement and the performance of such party's obligations hereunder (a) do not conflict with or violate any requirement of applicable laws or regulations, and (b) do not conflict with, or constitute a default under, any contractual obligation of it.

2.2 DISCLAIMER OF WARRANTIES. EXCEPT AS OTHERWISE EXPRESSLY SET FORTH IN SECTION 2, NEITHER PARTY MAKES ANY REPRESENTATIONS OR WARRANTIES, EXPRESS OR IMPLIED, REGARDING THE SERVICES OR ANY OTHER MATTER, INCLUDING ANY REPRESENTATION OR WARRANTY REGARDING MERCHANTABILITY, FITNESS FOR A PARTICULAR PURPOSE, WORKMANSHIP OR NONINFRINGEMENT.

3. Services.

3.1 From time to time, the parties may agree to one or more Work Plans. Each such Work Plan shall be incorporated herein by this reference. The parties acknowledge and agree that the Work Plan attached as Exhibit B constitutes a Work Plan under this Agreement.

3.2 Subject to the terms and conditions of this Agreement, Inceptus shall provide the Services to Inari in accordance with the applicable Work Plan. Inceptus shall have the right to utilize subcontractors to perform all or a portion of the Services. Inceptus shall not have any obligation to perform any services that are not set forth in a Work Plan.

4. Financial Terms. In consideration for the performance of the Services, Inari shall (a) pay to Inceptus all amounts and fees as set forth in the Work Plan(s), (b) unless otherwise set forth in the applicable Work Plan, reimburse all reasonable expenses incurred by Inceptus in the performance of Services, and (c) pay all taxes, including any interest and penalties from any related deficiency, in connection with the applicable Work Plan (except taxes based on or measured by Inceptus' net income). Unless otherwise set forth in the applicable Work Plan, Inari shall pay to Inceptus all such amounts in United States Dollars within thirty (30) days after the date of the applicable invoice submitted by Inceptus.

5. Intellectual Property Rights. Ownership and control of any Technology or Intellectual Property Rights conceived, created, generated, made, derived, developed or reduced to practice through performance of the Services shall be determined in accordance with the Technology Agreement.

6. Limitation of Liability.

6.1 WITHOUT LIMITING THE RIGHTS OR REMEDIES OF THE PARTIES PURSUANT TO SECTION 7, NEITHER PARTY SHALL BE LIABLE FOR ANY SPECIAL, INDIRECT, INCIDENTAL OR CONSEQUENTIAL DAMAGES, WHETHER FORESEEABLE OR NOT, ARISING OUT OF THIS AGREEMENT OR THE EXERCISE OF ITS RIGHTS HEREUNDER, REGARDLESS OF ANY NOTICE OF SUCH DAMAGES.

6.2 IN NO EVENT SHALL INCEPTUS' AGGREGATE LIABILITY ARISING OUT OF OR RELATED TO THIS AGREEMENT OR THE SERVICES, WHETHER ARISING OUT OF OR RELATED TO BREACH OF CONTRACT, TORT (INCLUDING NEGLIGENCE), OR OTHERWISE, EXCEED THE AGGREGATE AMOUNTS PAID TO INCEPTUS PURSUANT TO THE APPLICABLE WORK PLAN IN THE TWELVE (12) MONTH PERIOD PRECEDING THE EVENT GIVING RISE TO THE FIRST CLAIM UNDER THIS AGREEMENT.

7. Confidentiality.

7.1 Confidential Information. During the Term and for a period of five (5) years following the expiration or earlier termination hereof, except as otherwise provided in this Section 7, each party shall maintain in confidence the Confidential Information of the other party except as expressly permitted herein, and shall not use, disclose or grant the use of the Confidential Information except on a need-to-know basis to those directors, officers, employees and contractors, to the extent such disclosure is reasonably necessary in connection with performing its obligations or exercising its rights under this Agreement. To the extent that disclosure by a party is authorized by this Agreement, prior to disclosure, such party shall obtain agreement of any such Person to hold in confidence and not make use of the Confidential Information for any purpose other than those permitted by this Agreement.

7.2 Terms of this Agreement. Neither party shall disclose any terms or conditions of this Agreement to any Third Party without the prior consent of the other party; provided, however, that a party may disclose the terms or conditions of this Agreement, (a) on a need-to-know basis to its legal and financial advisors to the extent such disclosure is reasonably necessary, and (b) to a Third Party in connection with (i) an equity investment in such party, (ii) a merger, consolidation or similar transaction by such party, (iii) a permitted sublicense under the Technology Agreement, or (iv) the transfer or sale of all or substantially all of its business to which this Agreement relates, or in the event of its merger, consolidation, Change of Control or similar transaction of such party.

7.3 Permitted Disclosures. The confidentiality obligations contained in this Section 7 shall not apply to the extent that a party is required (a) in the reasonable opinion of such party's legal counsel, to disclose information by applicable law, regulation, rule (including rule of a stock exchange or automated quotation system), order of a governmental agency or a court of competent jurisdiction or legal process, including tax authorities, or (b) to disclose information to any governmental agency for purposes of obtaining approval to test or market a product, provided in either case that, to the extent practicable, such party shall provide written notice thereof to the other party and sufficient opportunity to object to any such disclosure or to request confidential treatment.

7.4 Injunctive Relief. Each party acknowledges that it will be impossible to measure in money the damage to the other party if such party fails to comply with the obligations imposed by this Section 7, and that, in the event of any such failure, the other party may not have an adequate remedy at law or in damages. Accordingly, each party agrees that injunctive relief or other equitable remedy, in addition to remedies at law or damages, is an appropriate remedy for any such failure and shall not oppose the granting of such relief on the basis that the disclosing party has an adequate remedy at law. Each party agrees that it shall not seek, and agrees to waive any requirement for, the securing or posting of a bond in connection with the other party seeking or obtaining such equitable relief.

8. Term and Termination.

8.1 Term. The term (the "Term") of this Agreement shall commence on the Effective Date and, unless earlier terminated in accordance with Section 8.2 or extended by mutual written agreement by the parties, shall terminate upon the first (1st) anniversary of the Restatement Date.

8.2 Termination.

8.2.1 This Agreement automatically shall terminate upon termination of all Work Plans.

8.2.2 If a party has materially breached this Agreement, and such material breach shall continue for thirty (30) days after written notice of such breach was provided by the nonbreaching party to the breaching party, the nonbreaching party shall have the right at its option to terminate this Agreement effective at the end of such thirty (30) day period.

8.2.3 Upon a Change of Control or a Public Offering of Inari, Inceptus shall have the right to terminate this Agreement immediately upon written notice of termination to Inari.

8.3 Effect of Termination.

8.3.1 Promptly following termination of this Agreement, Inari shall pay to Inceptus all amounts owing for all Services rendered and expenses incurred as of the date of the termination and shall reimburse Inceptus for all unrecovered costs and expenses incurred by Inceptus in anticipation of providing the Services during the Term.

8.3.2 The provisions of Sections 2.2, 5, 6, 7, 8.3 and 9 shall survive any termination of this Agreement.

9. Miscellaneous.

9.1 Relationship of Parties. The relationship between Inceptus and Inari, with respect to this Agreement, is only that of independent contractors notwithstanding any activities set forth in this Agreement. Neither party is the agent or legal representative of the other party, and neither party has the right or authority to bind the other party in any way. This Agreement creates no relationship as partners or a joint venture, and creates no pooling arrangement.

9.2 Governing Law and Resolution of Disputes.

9.2.1 This Agreement shall be governed by and construed in accordance with the laws of the State of California without reference to its conflict of laws principles.

9.2.2 Any and all disputes or claims arising from or out of this Agreement shall be litigated exclusively before a court of the State of California in Orange County, California or, if subject matter jurisdiction exists, the United States District Court for the Central District of California. Each party hereby irrevocably and unconditionally consents to the exclusive personal jurisdiction and service of, and venue of, any such court, and further irrevocably and unconditionally waives and agrees not to plead or claim that any action, lawsuit or proceeding brought in any such court has been brought in an inconvenient forum. Any judgment issued by such a court may be enforced in any court having jurisdiction.

9.3 Assignment. Neither party shall assign its rights or obligations under this Agreement without the prior written consent of the other party, which shall not be unreasonably withheld or delayed; provided, however, that a party may, without such consent, assign this Agreement and its rights and obligations hereunder (a) to any Affiliate, or (b) in connection with the transfer or sale of all or substantially all of its business to which this Agreement relates, or in the event of its merger, consolidation, Change of Control or similar transaction. Any permitted assignee shall assume all obligations of its assignor under this Agreement. Any purported assignment in violation of this Section 9.3 shall be void.

9.4 Counterparts. This Agreement may be executed in several counterparts that together shall be originals and constitute one and the same instrument.

9.5 Waiver. The failure of any party to enforce any of its rights hereunder or at law shall not be deemed a waiver of any of its rights or remedies against another party, unless such waiver is in writing and signed by the party to be charged. No such waiver shall be deemed a waiver of any subsequent breach or default of the same or similar nature or any other breach or default by such other party. All rights and remedies conferred herein shall be cumulative and in addition to all of the rights and remedies available to each party at law, equity or otherwise.

9.6 Severability. If any provision of this Agreement, or part thereof, is declared by a court of competent jurisdiction to be invalid, void or unenforceable, each and every other provision, or part thereof, shall nevertheless continue in full force and effect.

9.7 Notices. Any consent, notice or report required or permitted to be given or made under this Agreement by a party to the other party shall be in writing, delivered by any lawful means to such other party at its address indicated below, or to such other address as the addressee shall have last furnished in writing to the addressor and (except as otherwise provided in this Agreement) shall be effective upon receipt by the addressee.

If to Inceptus: Inceptus Medical, LLC
8 Argonaut, Suite 100
Aliso Viejo, California 92656
Attention: Chief Executive Officer

If to Inari: Inari Medical, Inc.
9272 Jeronimo Road, Suite 124
Irvine, California 92618
Attention: Chief Executive Officer

9.8 Further Assurances. The parties agree to execute such additional documents and perform such acts as are reasonably necessary to effectuate the intent of this Agreement.

9.9 Entire Agreement. Except for the Technology Agreement, this Agreement constitutes the entire agreement between the parties regarding the subject matter hereof, and supersedes all prior or contemporaneous understandings or agreements regarding the subject matter hereof, whether oral or written. This Agreement shall be modified or amended only by a writing specifically referring to this Agreement signed by both Inceptus and Inari.

9.10 Force Majeure. Neither party shall be liable for delays in its performance caused by events beyond its reasonable control, such as fires, floods, epidemics, computer virus, earthquakes, riots, acts of terror, acts of God, storms, labor shortages or strikes, acts of civil or military authority or similar occurrences, provided the affected party gives the other party written notice of such event within three (3) business days of its occurrence. Such notice shall state the estimated duration of such event and the cause thereof and the affected party shall use commercially reasonable efforts to work around such event.

9.11 Headings and Construction. No rule of construction shall be applied to the disadvantage of a party because that party was responsible for the preparation of this Agreement or any part of this Agreement. The Article and Section headings in this Agreement are for convenient reference only and shall be given no substantive or interpretive effect. With respect to all terms used in this Agreement, words used in the singular include the plural and words used in the plural include the singular. The word ‘including’ means including without limitation, and the words ‘herein,’ ‘hereby,’ ‘hereto’ and ‘hereunder’ refer to this Agreement as a whole. Unless the context otherwise requires, references found in this Agreement: (i) to Articles and Sections mean the Articles and Sections of this Agreement, as amended, supplemented and modified from time to time; (ii) to an agreement, instrument or other document means such agreement; (iii) to an agreement, instrument or other document means such agreement, instrument or other document as amended, supplemented and modified from time to time, to the extent provided by the provisions thereof and by this Agreement; and (iv) to a statute or a regulation mean such statute or regulation as amended from time to time.

[Remainder of Page Intentionally Left Blank]

IN WITNESS WHEREOF, each party has caused a duly authorized representative to execute this Agreement as of the Restatement Date,

INCEPTUS MEDICAL, LLC

By: /s/ Robert Rosenbluth
Name: Robert Rosenbluth
Title: President

INARI MEDICAL, INC.

By: /s/ William Hoffman
Name: William Hoffman
Title: CEO

Exhibit A

FORM OF WORK PLAN

Work Plan #

This Work Plan is entered into pursuant to the Amended and Restated Services Agreement dated as of _____, 2018, between INCEPTUS MEDICAL, LLC, a Delaware limited liability company ("Inceptus"), and INARI MEDICAL, INC., a Delaware corporation ("Inari"), (the "Services Agreement"), and is effective as of _____, 2018 (the "Work Plan Effective Date"). Capitalized terms used in this Work Plan and not otherwise defined shall have the meanings set forth in the Services Agreement. The parties hereby agree as follows:

1. Work Plan. This document constitutes a Work Plan as defined in the Services Agreement, and the Services to be provided hereunder are subject to the terms and conditions of the Services Agreement.

2. Scope of Work. The specific Services contemplated by the Work Plan are as follows:

(a) Description of services

(b) Description of services

(c) Description of services

3. Payments. In consideration for the performance of the Services, Inari shall pay to Inceptus as follows:

4. Term. The term of this Work Plan shall commence on the Work Plan Effective Date and shall continue until the Services set forth in Section 2 are complete, or this Work Plan or the Services Agreement is earlier terminated.

5. Amendments. No modification, amendment or waiver of this Work Plan shall be effective unless in writing and signed by a duly authorized representative of each party.

Accepted and Agreed:

INCEPTUS MEDICAL, LLC		INARI MEDICAL, INC
By: _____		By: _____
Name: _____		Name: _____
Title: _____		Title: _____

Exhibit B

Work Plan # 01

This Work Plan is entered into pursuant to the Amended and Restated Services Agreement dated as of February 1, 2018, between INCEPTUS MEDICAL, LLC, a Delaware limited liability company ("Inceptus"), and INARI MEDICAL, INC., a Delaware corporation ("Inari"), (the "Services Agreement"), and is effective as of February 1, 2018 (the "Work Plan Effective Date"). Capitalized terms used in this Work Plan and not otherwise defined shall have the meanings set forth in the Services Agreement. The parties hereby agree as follows:

6. Work Plan. This document constitutes a Work Plan as defined in the Services Agreement, and the Services to be provided hereunder are subject to the terms and conditions of the Services Agreement.

7. Scope of Work. The specific Services contemplated by the Work Plan are as follows:

(a) Product development in the Inari Field as defined in the Technology Agreement

(b) Development of manufacturing processes and equipment including braiding

(c) Patent and trademark preparation and prosecution

(d) Strategic planning and input

(e) Board of Directors participation

(f) Financing, strategic partner discussions and associated due diligence

(g) Other miscellaneous business matters

8. Payments. In consideration for the performance of the Services, Inari shall pay to Inceptus as follows:

Costs incurred by Inceptus plus 10%

9. Term. The term of this Work Plan shall commence on the Work Plan Effective Date and shall continue until the Services set forth in Section 2 are complete, or this Work Plan or the Services Agreement is earlier terminated.

10. Amendments. No modification, amendment or waiver of this Work Plan shall be effective unless in writing and signed by a duly authorized representative of each party.

Accepted and Agreed:

INCEPTUS MEDICAL, LLC

By: /s/ Robert Rosenbluth
Name: Robert Rosenbluth
Title: President

INARI MEDICAL, INC

By: /s/ William Hoffman
Name: William Hoffman
Title: CEO

Exhibit 10.11

AMENDED AND RESTATED TECHNOLOGY AGREEMENT

THIS AMENDED AND RESTATED TECHNOLOGY AGREEMENT (together with the exhibits hereto, as may be amended or restated from time to time, this "Agreement") dated as of March 2, 2018 (the "Restatement Date"), is entered into between INCEPTUS MEDICAL, LLC, a Delaware limited liability company ("Inceptus"), with a place of business at 8 Argonaut, Suite 100, Aliso Viejo, California 92656, and INARI MEDICAL, INC., a Delaware corporation ("Inari"), with a place of business at 9272 Jeronimo Road, Suite 124, Irvine, California 92618.

WHEREAS, the parties entered into the Technology Agreement (the "Original Technology Agreement") effective September 15, 2011 (the "Effective Date");

WHEREAS, the parties entered into the Services Agreement (the "Original Services Agreement") effective December 5, 2014; and

WHEREAS, the parties now desire to amend the Original Technology Agreement and the Original Services Agreement in certain respects, and for convenience to restate the Original Technology Agreement and the Original Services Agreement, on the terms and conditions set forth in this Agreement and the Services Agreement (as defined below).

NOW, THEREFORE, in consideration of the mutual promises and covenants set forth below and other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, the parties hereby amend and restate the Original Technology Agreement, and otherwise agree, as follows effective as of the Effective Date:

1. Definitions. For the purposes of this Agreement, the following terms shall have the respective meanings set forth below, and grammatical variations of such terms shall have corresponding meanings:

1.1. "Affiliate" shall mean, with respect to any Person, any other Person which directly or indirectly controls, is controlled by, or is under common control with, such Person. A Person shall be regarded as in control of another Person if it owns, or directly or indirectly controls, more than fifty percent (50%) of the voting stock or other ownership interest of the other Person, or if it directly or indirectly possesses the power to direct or cause the direction of the management and policies of the other Person by any means whatsoever. Notwithstanding the foregoing, for purposes of this Agreement, (a) neither Inceptus nor Inari shall be Affiliates of the other or the other's Affiliates, and (b) any portfolio company of Inceptus shall not be an Affiliate of Inceptus or Inari.

1.2. "Change of Control" shall mean (a) a transaction or series of related transactions that result in the sale, transfer or other disposition to a Third Party of all or substantially all of Inari's assets; (b) a merger or consolidation with a Third Party in which Inari is not the surviving corporation or in which, if Inari is the surviving corporation, the stockholders of Inari immediately prior to the consummation of such merger or consolidation do not, immediately after consummation of such merger or consolidation, possess a majority of the voting power of all of Inari's outstanding stock and other securities and the power to elect a majority of the members of Inari's board of directors; or (c) a transaction or series of related transactions with a Third Party if the stockholders of Inari immediately prior to the initial such transaction do not, immediately after consummation of such transaction or any of such related transactions, own stock or other securities of the entity that possess a majority of the voting power of all of Inari's outstanding stock and other securities and the power to elect a majority of the members of Inari's board of directors.

1.3. "Confidential Information" shall mean all information and data that (a) is provided by one party to the other party under this Agreement, and (b) if disclosed in writing or other tangible medium is marked or identified as confidential at the time of disclosure to the recipient, is acknowledged at the time of disclosure to be confidential, or otherwise should reasonably be deemed to be confidential. Notwithstanding anything to the contrary herein, Inari shall be the disclosing party for all Inari Technology, and Inceptus shall be the disclosing party for all Inceptus Technology. Notwithstanding the foregoing, Confidential Information of a party shall not include that portion of such information and data which, and only to the extent, the recipient can establish by written documentation (i) is known to the recipient prior to receipt thereof from the disclosing party, (ii) is disclosed to the recipient free of confidentiality obligations by a third person who has the right to make such disclosure, (iii) is or becomes part of the public domain through no fault of the recipient, or (iv) is independently developed by persons on behalf of the recipient without access to or use of the information disclosed by the disclosing party.

1.4. "Development Period" shall mean the period of time beginning on the Effective Date and ending upon the earlier of (a) a Change of Control or Public Offering of Inari and (b) the date that is six (6) months following the expiration or earlier termination of the Services Agreement.

1.5. "Inari Field" shall mean the treatment of embolism and thrombosis in human vasculature, excluding carotid arteries, coronary vasculature and cerebral vasculature.

1.6. "Inari IP Rights" shall mean all Intellectual Property Rights, now existing or hereafter arising, owned or controlled by Inari in or to the Inari Technology; in each case, in which and only to the extent that Inari has a licensable interest exercisable without violating the terms of any agreement or other arrangement with any Third Party or incurring any additional royalty, fee or other charge. Notwithstanding anything to the contrary in this Agreement, the Intellectual Property Rights listed on Exhibit D shall be Inari IP Rights and shall not be Inceptus IP Rights.

1.7. "Inari Technology" shall mean all Technology that is Primarily Directed to the Inari Field and (a) was owned by Inceptus as of the Effective Date; or (b) is conceived, created, generated, made, derived, developed, reduced to practice or acquired by or on behalf of Inceptus, solely or jointly with any other Person, during the Development Period; in each case of subclause (a) and (b), in which and only to the extent that Inceptus has the right to disclose and grant rights to Inari hereunder without violating the terms of any agreement or other arrangement with any Third Party or incurring any additional royalty, fee or other charge; or (c) has substantial application in the Inceptus Field and is conceived, created, generated, made, derived, developed or reduced to practice by or on behalf of Inari (other than by Inceptus), whether solely or jointly with any other Person, during the Development Period. Notwithstanding anything to the contrary in this Agreement, the Technologies listed on Exhibit B shall be Inari Technology and shall not be Inceptus Technology.

1.8. "Inceptus Field" shall mean any and all fields of use other than the Inari Field.

1.9. "Inceptus IP Rights" shall mean all Intellectual Property Rights, now existing or hereafter arising, owned or controlled by Inceptus in or to the Inceptus Technology; in each case, in which and only to the extent that Inceptus has a licensable interest exercisable without violating the terms of any agreement or other arrangement with any Third Party or incurring any additional royalty, fee or other charge. Notwithstanding anything to the contrary in this Agreement, the Intellectual Property Rights listed on Exhibit C shall be Inceptus IP Rights and shall not be Inari IP Rights.

1.10. "Inceptus Technology" shall mean all Technology that (a) has substantial application in, but is not Primarily Directed to, the Inari Field and is (i) owned by Inceptus as of the Effective Date or (ii) conceived, created, generated, made, derived, developed, reduced to practice or acquired by or on behalf of Inceptus pursuant to the Services Agreement, solely or jointly with any other Person, during the Development Period; in each case of subclause (i) and (ii), in which and only to the extent that Inceptus has the right to disclose and grant rights to Inari hereunder without violating the terms of any agreement or other arrangement with any Third Party or incurring any additional royalty, fee or other charge, or (b) has substantial application in the Inceptus Field, is not Primarily Directed to the Inari Field, and is conceived, created, generated, made, derived, developed, reduced to practice or acquired by or on behalf of Inari, solely or jointly with any other Person, during the Development Period. Notwithstanding anything to the contrary in this Agreement, the Technologies listed on Exhibit A shall be Inceptus Technology and shall not be Inari Technology.

1.11. "Intellectual Property Rights" shall mean, collectively, Patent Rights, Know-How Rights, Trademark Rights, and any other intellectual property rights.

1.12. "Know-How Rights" shall mean all trade secret and other know-how rights (whether at law, in equity or otherwise).

1.13. "Patent Rights" shall mean all issued patents and pending patent applications (including utility models, design patents, certificates of invention and applications for certificates of invention and priority rights) in any country, including all provisional applications, substitutions, continuations, continuations-in-part, divisions, renewals, reissues, post-grant reviews, re-examinations and extensions thereof.

1.14. "Person" shall mean any individual, partnership, firm, corporation, association, trust, unincorporated organization or other entity, as well as any syndicate or group of any of the foregoing.

1.15. "Primarily Directed to" shall mean, with respect to a field of use, (a) with respect to Patent Rights, that the patent or patent application has no disclosure that can support a claim that has substantial application outside such field of use; and (b) with respect to any other Intellectual Property Right or Technology, that such Intellectual Property Right or Technology does not have any substantial application outside such field of use.

1.16. "Public Offering" shall mean the first sale of common stock of Inari to the general public pursuant to a registration statement filed with and declared effective by the Securities and Exchange Commission under the Securities Act of 1933, as amended.

1.17. "Services Agreement" shall mean that certain Amended and Restated Services Agreement dated as of the Restatement Date entered into between the parties (as amended or restated from time to time), pursuant to which Inceptus performs research and/or development services for Inari.

1.18. "Technology" shall mean all discoveries, inventions (whether or not protectable under patent laws), designs, developments, works of authorship, data, information, methods of manufacture or use, know-how, procedures, protocols, techniques, results of experimentation and testing and other technology.

1.19. "Third Party" shall mean any Person other than Inceptus, Inari or their respective Affiliates,

1.20. "Trademark Rights" shall mean all registered and unregistered trademarks (including all common law rights thereto), service marks, trade names, brand names, logos, taglines, slogans, certification marks, Internet domain names, trade dress, corporate names, business names and other indicia of origin, together with the goodwill associated with any of the foregoing and all applications, registrations, extensions and renewals thereof throughout the world, and all rights therein provided by international treaties and conventions.

2. Representations and Warranties.

2.1. By Each Party. Each party represents and warrants to the other party as follows:

2.1.1. Such party is duly organized, validly existing and in good standing under the laws of the jurisdiction in which it is organized.

2.1.2. Such party (a) has the requisite power and authority and the legal right to enter into this Agreement and to perform its obligations hereunder, and (b) has taken all necessary action on its part to authorize the execution and delivery of this Agreement and the performance of its obligations hereunder. This Agreement has been duly executed and delivered on behalf of such party and constitutes a legal, valid, binding obligation, enforceable against such party in accordance with its terms.

2.1.3. All necessary consents, approvals and authorizations of all governmental authorities and other Persons required to be obtained by such party in connection with this Agreement have been obtained.

2.1.4. The execution and delivery of this Agreement and the performance of such party's obligations hereunder (a) do not conflict with or violate any requirement of applicable laws or regulations, and (b) do not conflict with, or constitute a default under, any contractual obligation of it.

2.2. DISCLAIMER OF WARRANTIES. EXCEPT AS OTHERWISE EXPRESSLY SET FORTH IN SECTION 2, NEITHER PARTY MAKES ANY REPRESENTATIONS OR WARRANTIES, EXPRESS OR IMPLIED, REGARDING THE INCEPTUS TECHNOLOGY, INARI TECHNOLOGY, EITHER PARTY'S INTELLECTUAL PROPERTY RIGHTS OR ANY OTHER MATTER, INCLUDING ANY REPRESENTATION OR WARRANTY REGARDING MERCHANTABILITY, FITNESS FOR A PARTICULAR PURPOSE, VALIDITY OR NONINFRINGEMENT.

3. Technology and Intellectual Property Ownership.

3.1. Inceptus IP Rights. As between the parties, Inceptus shall own all Inceptus Technology and Inceptus IP Rights. Inari hereby assigns to Inceptus any and all of its rights, title and interest in and to the Inceptus Technology and Inceptus IP Rights.

3.2. Inari IP Rights. As between the parties, Inari shall own all Inari Technology and Inari IP Rights. Inceptus hereby assigns to Inari any and all of its rights, title and interest in and to the Inari Technology and Inari IP Rights.

3.3. Assignment by Employees and Consultants. Each employee or consultant of a party shall execute a confidential information and invention assignment agreement in a form mutually agreeable by the parties. Such agreement shall contain customary confidentiality provisions and shall obligate such employee or consultant to assign and transfer, and shall effectuate such assignment and transfer, to the hiring or engaging party all rights, title and interest in and to any Technology and Intellectual Property Rights conceived, created, generated, made, derived, developed or reduced to practice in the course of performing services for such party during the Development Period.

3.4. Further Actions. Each party shall execute, acknowledge and deliver such further documents and instruments and perform all such other acts as may be necessary or appropriate in order to effectuate the foregoing.

4. License Grant.

4.1. License Grant to Inari. Subject to the terms and conditions of this Agreement, Inceptus hereby grants to Inari an exclusive (even as to Inceptus), royalty-free, non-transferable (except in accordance with Section 9.3), perpetual, irrevocable, worldwide license under the Inceptus IP Rights in the Inari Field. Inari shall not exploit the Inceptus IP Rights for any other purpose. Inari shall have the right to grant sublicenses (a) to its bona fide (sub)contractors for the purposes of enabling such (sub)contractors' services solely for Inari's benefit, and (b) to any other Third Parties upon Inceptus' prior written consent not to be unreasonably withheld.

4.2. License Grant to Inceptus. Subject to the terms and conditions of this Agreement, Inari hereby grants to Inceptus an exclusive (even as to Inari), royalty-free, non-transferable (except in accordance with Section 9.3), perpetual, irrevocable, worldwide license (with the right to grant sublicenses through multiple tiers) under the Inari IP Rights in the Inceptus Field.

4.3. Sublicenses. Each sublicense hereunder shall be subject to the terms and conditions of this Agreement applicable to the licensed party. The licensed party shall ensure each sublicensee's compliance with all terms and conditions of this Agreement applicable to the licensed party and shall be liable for any and all breaches by such sublicensee thereof.

4.4. Trademark Rights.

4.4.1. Except as otherwise set forth above, Inari, its sublicensees, and its and their respective Affiliates shall not (a) use or exploit any the Trademark Rights comprising Inceptus IP Rights, nor any mark or name confusingly similar thereto, as part of a corporate or business name or in any other manner, nor (b) register any Trademark Right (including any company name) which is identical to or confusingly similar to or incorporates any Trademark Right comprising Inceptus IP Rights.

4.4.2. Except as otherwise set forth above, Inceptus, its sublicensees, and its and their respective Affiliates shall not (a) use or exploit any the Trademark Rights comprising Inari IP Rights, nor any mark or name confusingly similar thereto, as part of a corporate or business name or in any other manner, nor (b) register any Trademark Right (including any company name) which is identical to or confusingly similar to or incorporates any Trademark Right comprising Inari IP Rights.

4.4.3. Any goodwill associated with a party's Trademark Rights used or exploited hereunder shall accrue to the sole benefit of such party. Each party shall have the right, at reasonable times, to conduct inspections as reasonably necessary or appropriate to police and monitor the use of the Trademark Rights licensed hereunder.

4.5. No Implied Licenses. Only the licenses and rights expressly granted herein shall be of legal force and effect. No license or other right shall be created hereunder by implication, estoppel or otherwise.

5. Technology Transfer.

5.1. Technology Transfer. From time to time during the Development Period and the six (6) months thereafter, in accordance with such schedule and in such manner as reasonably agreed by the parties, (a) Inceptus shall transfer to Inari any Inari Technology and Inceptus Technology (or copies thereof if applicable), in each case, in its possession or control and that was not previously transferred to or possessed by Inari, and (b) Inari shall transfer to Inceptus copies of any Inari Technology, in each case, in its possession or control and that was not previously transferred to or possessed by Inceptus.

5.2. Dispute Resolution. In the event of a dispute regarding the ownership of any Technology or Intellectual Property Rights pursuant to this Agreement that cannot be resolved after a reasonable period of good faith discussions between the parties, then each party shall have the right to submit the dispute to, and the parties shall accept the outcome of, final, binding arbitration as set forth below. The arbitration shall be conducted by the Judicial

Arbitration and Mediation Services (or its successor entity) ("JAMS") under the JAMS Streamlined Arbitration Rules and Procedures then in effect, except as modified in this Agreement. The arbitration shall be conducted in the English language, by a single arbitrator. If the parties are unable to agree on an arbitrator, the arbitrator shall be selected in accordance with such JAMS rules. At the request of either party, the arbitrator shall engage an independent expert with experience in the subject matter of the dispute to advise the arbitrator, but final decision making authority shall remain with the arbitrator. The arbitrator shall determine what discovery will be permitted, consistent with the goal of reasonably controlling the cost and time that the parties must expend for discovery, provided that the arbitrator shall permit such discovery as he or she deems necessary to permit an equitable resolution of the dispute. The parties and the arbitrator shall use reasonable efforts to complete any such arbitration within thirty (30) days. Unless otherwise mutually agreed upon by the parties to the arbitration, the arbitration proceedings shall be conducted in Orange County, California. The parties agree that they shall share equally the cost of the arbitration filing and hearing fees, the cost of the independent expert retained by the arbitrator and the cost of the arbitrator and administrative fees of JAMS. Each party shall bear its own costs and attorneys' and witnesses' fees and associated costs and expenses.

6. Patent Rights.

6.1. Prosecution and Maintenance.

6.1.1. Inceptus shall have the sole right to prepare, file, prosecute and maintain Patent Rights comprising Inceptus IP Rights.

6.1.2. Except as otherwise set forth in Section 6.1, Inceptus shall have the sole right to prepare, file, prosecute and maintain Patent Rights comprising Inari IP Rights. Inceptus shall consider in good faith the interests of Inari in doing so, and Inari shall reasonably assist Inceptus, upon Inceptus' request, in connection therewith. With respect to each patent application and issued patent comprising Inari IP Rights that are Primarily Directed to the Inari Field, Inceptus shall implement any requests made by Inari. With respect to each patent application and issued patent comprising Inari IP Rights that are not Primarily Directed to the Inari Field, Inceptus shall in good faith consider Inari's input and implement any reasonable requests made by Inari.

6.1.3. Inceptus shall keep Inari advised of the status of any actual and prospective patent filings made by Inceptus pursuant to Section 6.1.2 and, upon Inari's request, shall provide Inari with copies of any material correspondence with the U.S. Patent and Trademark Office and any corresponding patent office outside of the U.S. related to the filing, prosecution and maintenance of such patents, with sufficient time for Inari to provide direction or input pursuant to Section 6.1.2 above. Inceptus shall promptly give notice to Inari of the grant, lapse, revocation, surrender, invalidation, decision not to foreign file or validate in a European country, or abandonment of any patents within the Patent Rights comprising Inari IP Rights. In the event that Inceptus is unable or unwilling to file, or validate in a European country, prosecute or maintain any patent application or patent for which it has responsibility under Section 6.1.2, in any country, Inceptus shall promptly notify Inari of such determination, but in no case later than sixty (60) days prior to any required action relating to the validation, filing, prosecution or maintenance of such patent or patent application. From and after the effective date of such notice, Inari shall have the right, at its option, to file, prosecute and/or maintain such patent or patent application in such country.

6.1.4. Upon the first to occur of (a) Inari's reasonable demonstration of Inari's capability to oversee and manage the preparation, filing, prosecution and maintenance of the Patent Rights comprising Inari IP Rights, or (b) sixty (60) days after written notice from Inceptus to Inari that Inceptus desires Inari to assume control, thereafter Inari shall have the sole right to prepare, file, prosecute and maintain Patent Rights comprising the Inari IP Rights. Inari shall consider in good faith the interests of Inceptus in doing so, and Inceptus shall reasonably assist Inari, upon Inari's request, in connection therewith. With respect to each patent application and issued patent within the Patent Rights comprising Inari IP Rights that are not Primarily Directed to the Inari Field:

(a) Inari shall (i) provide Inceptus with any such draft patent application to be filed by or on behalf of Inari at least thirty (30) days prior to filing and receive and incorporate reasonable comments by Inceptus thereon; (ii) provide Inceptus with a copy of any patent application filed by Inari promptly after such filing; (iii) provide Inceptus promptly with copies of all material communications received from or filed in patent offices with respect to such filings; (iv) notify Inceptus of any interference, opposition, reexamination request, nullity proceeding, appeal or other interparty action, review it with Inceptus as reasonably requested, and incorporate reasonable comments by Inceptus thereon; and (v) consult with Inceptus a reasonable time prior to taking or failing to take any substantive action with respect to such patent applications or patents, including any action that would materially affect the scope or validity of rights under any patent applications or patents (such as substantially narrowing or canceling any claim or allowing claims to issue in a patent without reserving the right to file a continuing or divisional patent application, abandoning any patent or not filing or perfecting the filing of any patent application in any country), and Inari shall reasonably consider reasonable comments by Inceptus thereon.

(b) In the event that Inari desires not to file or to abandon any such patent or patent application, Inari shall provide reasonable prior written notice to Inceptus of such intention to abandon (which notice shall, in any event, be given no less than sixty (60) days prior to the next deadline for any action that may be taken with respect to such patent or patent application with the applicable patent office), and Inceptus shall have the right, but not the obligation, to assume responsibility for the prosecution and maintenance thereof. In the event Inceptus elects to assume such responsibility for such prosecution and maintenance, (i) Inari shall, and hereby does, assign all of its rights, title and interest in and to such patent or patent applicable to Inceptus; (ii) Inari shall execute, acknowledge and deliver such further documents and instruments and perform all such other acts as Inceptus may reasonably request in order to effectuate the foregoing; and (iii) such patent or patent application, including all rights therein and thereto, thereafter shall be excluded from this Agreement.

6.1.5. Inari shall reimburse Inceptus, within thirty (30) days after demand, for all costs and expenses (that have not been previously reimbursed) incurred in the preparation, filing, prosecution and maintenance of Patent Rights comprising Inari IP Rights or Inceptus IP Rights; provided, however, if with respect to any Patent Rights comprising Inceptus IP Rights, such Patent Rights are licensed by Inceptus to a Third Party outside of the Inari Field, Inari's obligation to reimburse Inceptus for costs and expenses incurred thereafter shall be adjusted by multiplying the amount thereof by the fraction 1/N, where N is the number of Third Party licensees, plus Inari.

6.2. Enforcement and Defense.

6.2.1. Except as otherwise set forth in this Section 6.2, as between the parties, Inceptus shall have the sole right, at its expense, to take any and all actions necessary or desirable enforce (including by initiating, prosecuting and settling legal actions) and/or defend (including before patent offices and courts of competent jurisdiction) the Patent Rights comprising Inceptus IP Rights. With respect to any such enforcement in the Inari Field (or any defense directly related to such enforcement in the Inari Field), Inari may request the right to control such action in the Inari Field, at its sole expense, which Inceptus may grant or reject in its sole discretion; provided, however, if Inceptus does not grant Inari such right, Inari shall have the right to participate, at its sole expense, in such action in the Inari Field.

6.2.2. Except as otherwise set forth in this Section 6.2, as between the parties, Inari shall have the sole right, at its expense, to take any and all actions necessary or desirable enforce (including by initiating, prosecuting and settling legal actions) and/or defend (including before patent offices and courts of competent jurisdiction) the Patent Rights comprising Inari IP Rights. With respect to any such enforcement in the Inceptus Field (or any defense directly related to such enforcement in the Inceptus Field), Inceptus may request the right to control such action in the Inceptus Field, at its sole expense, which Inari may grant or reject in its sole discretion; provided, however, if Inari does not grant Inceptus such right, Inceptus shall have the right to participate, at its sole expense, in such action in the Inceptus Field.

6.2.3. In any action by a party under this Section 6.2, such party shall consider in good faith the interests of the other party in doing so, the other party shall reasonably assist such party, upon request and such party's expense, in connection therewith, and the other party shall be joined in such legal proceeding or action as may be requested by such party if the other party is an indispensable or necessary party under applicable law.

6.2.4. With respect to any such action to enforce any Patent Rights comprising the Inceptus IP Rights or the Inari IP Rights, all amounts recovered upon the final judgment or settlement of any such action shall be distributed (a) first, to reimburse the costs and expenses (including reasonable attorneys' fees and costs) of the parties; and (b)(i) if the licensee party brought such legal proceeding or action as authorized by the licensor party in accordance with Section 6.2.1 or 6.2.2, the remainder to the licensee; or (ii) otherwise, the balance to the party that brought such proceeding or action.

6.3. Patent Marking. The parties shall use commercially reasonable efforts to place (or cause to be placed) all appropriate patent notices, markings and indicia on product and marketing literature for any applicable Patent Rights licensed to it hereunder.

7. Indemnification and Limitation of Liability.

7.1. Indemnification by Inari. Inari shall indemnify, defend and hold harmless Inceptus, its Affiliates, and its and their respective officers, directors, shareholders, employees, agents and representatives (collectively "Inceptus Indemnitees") from and against any and all losses, liabilities, damages and expenses, including reasonable attorneys' fees and costs (collectively, "Losses") arising from any claim, demand, action or other proceeding by a Third Party, to the extent resulting from (a) the actual or alleged gross negligence or willful misconduct of Inari, its Affiliates or their respective agents or representatives; (b) any actual or alleged breach of any representations, warranties or covenants of Inari in this Agreement; or (c) the use or exploitation of the Inceptus Technology, Inceptus IP Rights, Inari Technology or Inari IP Rights by or on behalf of Inari, its Affiliates or their respective sublicensees; provided, however, that the foregoing indemnity obligations shall not apply to the extent that any Loss results from any matter set forth in Section 7.2 for which Inceptus is obligated to indemnify Inari Indemnitees.

7.2. Indemnification by Inceptus. Inceptus shall indemnify, defend and hold harmless Inari, its Affiliates, and its and their respective officers, directors, shareholders, employees, agents and representatives (collectively "Inari Indemnitees") from any and all Losses arising from any claim, demand, action or other proceeding by a Third Party, to the extent resulting from (a) the actual or alleged gross negligence or willful misconduct of Inceptus, its Affiliates or their respective agents or representatives; (b) any actual or alleged breach of the representations, warranties or covenants of Inceptus in this Agreement; or (c) the use or exploitation of the Inceptus Technology, Inceptus IP Rights, Inari Technology or Inari IP Rights by or on behalf of Inceptus, its Affiliates or their respective sublicensees; provided, however, that the foregoing indemnity obligations shall not apply to the extent that any Loss results from any matter set forth in Section 7.1 for which Inari is obligated to indemnify Inceptus Indemnitees.

7.3. Procedure. A party seeking indemnification (the "Indemnitee") shall promptly notify the other party (the "Indemnifying Party") in writing of a claim, demand, action or proceeding; provided that an Indemnitee's failure to give such notice or delay in giving such notice shall not affect such Indemnitee's right to indemnification under this Section 7 except to the extent that the Indemnifying Party has been prejudiced by such failure or delay. The Indemnifying Party shall have the right to control the defense of all indemnification claims hereunder. The Indemnitee shall have the right to participate at its own expense in the claim, demand, action or proceeding with counsel of its own choosing. The Indemnifying Party shall consult with the Indemnitee in good faith with respect to all non-privileged aspects of the defense strategy. The Indemnitee shall cooperate with the Indemnifying Party as reasonably requested at the Indemnifying Party's sole cost and expense. The Indemnifying Party shall not settle or otherwise consent to an adverse judgment in any such claim, demand, action or other proceeding that diminishes the rights or interests of the Indemnitee without the prior express written consent of the Indemnitee, which consent shall not be unreasonably withheld or delayed.

7.4. Insurance. As soon as reasonably practicable following the Effective Date, Inari shall obtain and maintain general and product liability insurance in such amounts as determined in good faith by the board of directors of Inari, but in no event less than such an amount that is reasonable and customary in the industry. Inari shall name Inceptus as an additional insured under such insurance policies for so long as Inari is utilizing or exploiting the Inceptus Technology or Inceptus IP Rights.

7.5. LIMITATION OF LIABILITY. WITHOUT LIMITING THE RIGHTS OR REMEDIES OF THE PARTIES PURSUANT TO THIS SECTION 7 OR THE OBLIGATIONS OF THE PARTIES PURSUANT TO SECTION 8, NEITHER PARTY SHALL BE LIABLE FOR ANY SPECIAL, INDIRECT, INCIDENTAL OR CONSEQUENTIAL DAMAGES, WHETHER FORESEEABLE OR NOT, RESULTING FROM ANY ACTUAL OR ALLEGED BREACH OF THIS AGREEMENT, REGARDLESS OF ANY NOTICE OF SUCH DAMAGES.

8. Confidentiality.

8.1. Confidential Information. Except as otherwise provided in this Section 8, each party shall maintain in confidence the Confidential Information of the other party except as expressly permitted herein, and shall not use, disclose or grant the use of the Confidential Information except on a need-to-know basis to those directors, officers, employees, contractors and permitted sublicensees, to the extent such disclosure is reasonably necessary in connection with performing its obligations or exercising its rights under this Agreement. To the extent that disclosure by a party is authorized by this Agreement, prior to disclosure, such party shall obtain agreement of any such Person to hold in confidence and not make use of the Confidential Information for any purpose other than those permitted by this Agreement.

8.2. Terms of this Agreement. Neither party shall disclose any terms or conditions of this Agreement to any Third Party without the prior consent of the other party; provided, however, that a party may disclose the terms or conditions of this Agreement, (a) on a need-to-know basis to its legal and financial advisors to the extent such disclosure is reasonably necessary, and (b) to a Third Party in connection with (i) an equity investment in such party, (ii) a merger, consolidation or similar transaction by such party, (iii) a permitted sublicense under this Agreement, or (iv) the transfer or sale of all or substantially all of its business to which this Agreement relates, or in the event of its merger, consolidation, Change of Control or similar transaction of such party.

8.3. Permitted Disclosures. The confidentiality obligations contained in this Section 8 shall not apply to the extent that a party is required (a) in the reasonable opinion of such party's legal counsel, to disclose information by applicable law, regulation, rule (including rule of a stock exchange or automated quotation system), order of a governmental agency or a court of competent jurisdiction or legal process, including tax authorities, or (b) to disclose information to any governmental agency for purposes of obtaining approval to test or market a product, provided in either case that, to the extent practicable, such party shall provide written notice thereof to the other party and sufficient opportunity to object to any such disclosure or to request confidential treatment.

8.4. Injunctive Relief. Each party acknowledges that it will be impossible to measure in money the damage to the other party if such party fails to comply with the obligations imposed by this Section 8, and that, in the event of any such failure, the other party may not have an adequate remedy at law or in damages. Accordingly, each party agrees that injunctive relief or other equitable remedy, in addition to remedies at law or damages, is an appropriate remedy for any such failure and shall not oppose the granting of such relief on the basis that the disclosing party has an adequate remedy at law. Each party agrees that it shall not seek, and agrees to waive any requirement for, the securing or posting of a bond in connection with the other party seeking or obtaining such equitable relief.

9. Miscellaneous.

9.1. Relationship of Parties. The relationship between Inceptus and Inari, with respect to this Agreement, is only that of independent contractors notwithstanding any activities set forth in this Agreement. Neither party is the agent or legal representative of the other party, and neither party has the right or authority to bind the other party in any way. This Agreement creates no relationship as partners or a joint venture, and creates no pooling arrangement.

9.2. Governing Law and Resolution of Disputes.

9.2.1. This Agreement shall be governed by and construed in accordance with the laws of the State of California without reference to its conflict of laws principles.

9.2.2. Except as otherwise provided herein, any and all disputes or claims arising from or out of this Agreement shall be litigated exclusively before a court of the State of California in Orange County, California or, if subject matter jurisdiction exists, the United States District Court for the Central District of California. Each party hereby irrevocably and unconditionally consents to the exclusive personal jurisdiction and service of, and venue of, any such court, and further irrevocably and unconditionally waives and agrees not to plead or claim that any action, lawsuit or proceeding brought in any such court has been brought in an inconvenient forum. Any judgment issued by such a court may be enforced in any court having jurisdiction.

9.3. Assignment. Neither party shall assign its rights or obligations under this Agreement without the prior written consent of the other party, which shall not be unreasonably withheld or delayed; provided, however, that a party may, without such consent, assign this Agreement and its rights and obligations hereunder (a) to any Affiliate, or (b) in connection with the transfer or sale of all or substantially all of its business to which this Agreement relates, or in the event of its merger, consolidation, Change of Control or similar transaction. Any permitted assignee shall assume all obligations of its assignor under this Agreement. Any purported assignment in violation of this Section 9.3 shall be void.

9.4. Counterparts. This Agreement may be executed in several counterparts that together shall be originals and constitute one and the same instrument.

9.5. Waiver. The failure of any party to enforce any of its rights hereunder or at law shall not be deemed a waiver of any of its rights or remedies against another party, unless such waiver is in writing and signed by the party to be charged. No such waiver shall be deemed a waiver of any subsequent breach or default of the same or similar nature or any other breach or default by such other party. All rights and remedies conferred herein shall be cumulative and in addition to all of the rights and remedies available to each party at law, equity or otherwise.

9.6. Severability. If any provision of this Agreement, or part thereof, is declared by a court of competent jurisdiction to be invalid, void or unenforceable, each and every other provision, or part thereof, shall nevertheless continue in full force and effect.

9.7. Notices. Any consent, notice or report required or permitted to be given or made under this Agreement by a party to the other party shall be in writing, delivered by any lawful means to such other party at its address indicated below, or to such other address as the addressee shall have last furnished in writing to the addressor and (except as otherwise provided in this Agreement) shall be effective upon receipt by the addressee.

If to Inceptus: Inceptus Medical, LLC
8 Argonaut, Suite 100
Aliso Viejo, California 92656
Attention: Chief Executive Officer

If to Inari: Inari Medical, Inc.
9272 Jeronimo Road, Suite 124
Irvine, California 92618
Attention: Chief Executive Officer

9.8. Further Assurances. The parties agree to execute such additional documents and perform such acts as are reasonably necessary to effectuate the intent of this Agreement.

9.9. Entire Agreement. Except for the Services Agreement, this Agreement constitutes the entire agreement between the parties regarding the subject matter hereof, and supersedes all prior or contemporaneous understandings or agreements regarding the subject matter hereof, whether oral or written. This Agreement shall be modified or amended only by a writing specifically referring to this Agreement signed by both Inceptus and Inari.

9.10. Force Majeure. Neither party shall be liable for delays in its performance caused by events beyond its reasonable control, such as fires, floods, epidemics, computer virus, earthquakes, riots, acts of terror, acts of God, storms, labor shortages or strikes, acts of civil or military authority or similar occurrences, provided the affected party gives the other party written notice of such event within three (3) business days of its occurrence. Such notice shall state the estimated duration of such event and the cause thereof and the affected party shall use commercially reasonable efforts to work around such event.

9.11. Headings and Construction. No rule of construction shall be applied to the disadvantage of a party because that party was responsible for the preparation of this Agreement or any part of this Agreement. The Article and Section headings in this Agreement are for convenient reference only and shall be given no substantive or interpretive effect. With respect to all terms used in this Agreement, words used in the singular include the plural and words used in the plural include the singular. The word ‘including’ means including without limitation, and the words ‘herein,’ ‘hereby,’ ‘hereto’ and ‘hereunder’ refer to this Agreement as a whole. Unless the context otherwise requires, references found in this Agreement: (i) to Articles and Sections mean the Articles and Sections of this Agreement, as amended, supplemented and

modified from time to time; (ii) to an agreement, instrument or other document means such agreement; (iii) to an agreement, instrument or other document means such agreement, instrument or other document as amended, supplemented and modified from time to time, to the extent provided by the provisions thereof and by this Agreement; and (iv) to a statute or a regulation mean such statute or regulation as amended from time to time.

[Remainder of Page Intentionally Left Blank]

IN WITNESS WHEREOF, each party has caused a duly authorized representative to execute this Agreement as of the Restatement Date.

INCEPTUS MEDICAL, LLC

By: /s/ Robert Rosenbluth
Name: Robert Rosenbluth
Title: President

INARI MEDICAL, INC.

By: /s/ William Hoffman
Name: William Hoffman
Title: CEO

Exhibit A

Inceptus Technology

Braider
Aspiration controller

Exhibit B

Inari Technology

FlowTriever
ClotTriever
Helical-layer Catheter Construction
Hemostasis Valve and Sheath
MoreTriever
FunnelTriever
FocalTriever
Aspiration-MaxImpulse

Exhibit C

Inceptus IP Rights

Pending Patent Applications

Title	Country	App. No.
Braiding Machine and Methods of Use	USA	62/508,938
Braiding Machine and Methods of Use	USA	15/784,122
Braiding Machine and Methods of Use	USA	62/572,462

Exhibit D

Inari IP Rights

Issued Patents

Title	Country	Patent No.
Intravascular Tx of Vasc Occl's and Assoc Devs, Systems and Methods	USA	9,700,332
Intravascular Tx of Vasc Occl's and Assoc Devs, Systems and Methods	USA	9,844,387
Methods and Apparatus for Treating PE	USA	8,784,434
Methods and Apparatus for Treating PE	USA	8,968,330
Methods and Apparatus for Treating PE	USA	9,259,237
Methods and Apparatus for Treating PE	USA	9,408,620
Methods and Apparatus for Treating Embolism	USA	9,717,519
Retraction and Aspiration Apparatus for TX Embolisms and Assoc	USA	9,526,864
Retraction and Aspiration Apparatus for TX Embolisms and Assoc	USA	9,526,865

Pending Patent Applications

Title	Country	App. No.
Catheter Shaft and Assoc Dev's, Systems and Methods	USA	62/269,372
Intravascular Tx of Vasc Occl's and Assoc Devs, Systems and Methods	USA	62/245,935
Intravascular Tx of Vasc Occl's and Assoc Devs, Systems and Methods	USA	15/268,406
Inverted or Self-feeding Dev's and Methdos for Tx Vascular Occlusion	USA	62/444,705
Devices and Methods for Tx of a Vascular Occlusion	USA	15/498,320
Intravascular Tx of Vasc Occl's and Assoc Devs, Systems and Methods	USA	15/821,224
Hemostasis Valves and Methods of Use	USA	62/554,931
Intravascular Tx of Vasc Occl's and Assoc Devs, Systems and Methods	USA/PCT	PCT/US2016/058536
Catheter Shaft and Assoc Devices, Systems and Methods	USA/PCT	PCT/US2016/067628
Devices and Methods for Treating Vascular Occlusion	USA/PCT	PCT/US2017/029696
Devices and Methods for the Treatment of Vascular Occlusion	USA	61/705,129
Devices and Methods for the Treatment of Vascular Occlusion	USA	61/728,775

Title	Country	App. No.
Devices and Methods for the Treatment of Vascular Occlusion	USA	61/750,277
Devices and Methods for the Treatment of Vascular Occlusion	USA	61/845,796
Devices and Methods for the Treatment of Vascular Occlusion	USA	61/864,356
Devices and Methods for Tx of a Vascular Occlusion	USA	15/466,740
Devices and Methods for Tx of a Vascular Occlusion	USA	61/893,859
Devices and Methods for the Treatment of Vascular Occlusion	USA	61/949,953
Retraction and Aspiration Apparatus for Tx PE	USA	62/009,805
Devices and Methods for Tx of a Vascular Occlusion	USA	14/430,519
Methods and Apparatus for Treating PE	USA	14/646,358
Device for Treating Embolism and Assoc Systems and Methods	USA	62/505,063
Devices and Methods for Tx of a Vascular Occlusion	USA	15/031,102
Methods and Apparatus for Treating PE	USA	15/665,326
Single Insertion Delivery System for Tx Embolism	USA	62/622,691
Methods and Apparatus for Treating Embolism	USA	15/396,036
Retraction and Aspiration Apparatus for TX Embolisms and Assoc	USA	15/366,308
Devices and Methods for the Treatment of Vascular Occlusion	USA/PCT	PCT/US2013/061470
Methods and Apparatus for Treating PE	USA/PCT	PCT/US2013/071101
Methods and Apparatus for Treating PE	USA/PCT	PCT/US2014/046567
Methods and Apparatus for Treating PE	USA/PCT	PCT/US2014/061645
Intravascular Tx of Vasc Occl’s and Assoc Devs, Systems and Methods	USA/PCT	PCT/US2016/058536
Devices and Methods for Treating Vascular Occlusion	USA/PCT	PCT/US2017/029696
Devices and Methods for Treating Vascular Occlusion	EPO	EP13838945.7
Methods and Apparatus for Treating PE	EPO	EP14823803.3
Retraction and Aspiration Apparatus for Tx Embolisms and Assoc	EPO	EP15805810.7
Retraction and Aspiration Apparatus for Tx Embolisms and Assoc	Canada	CA2,939,315
Retraction and Aspiration Apparatus for Tx Embolisms and Assoc	Australia	AU2015274704

Title	Country	App. No.
Retraction and Aspiration Apparatus for Tx Embolisms and Assoc	Japan	JP2016-564210
Retraction and Aspiration Apparatus for Tx Embolisms and Assoc	PRC	CN201580030865.5

Trademark Registrations

Mark	Country	Reg. No.
Inari Medical	USA	4752563
FlowTriever	USA	4777648
ClotTriever	USA	5223592
FlowTriever	EM	IR 1280631
ClotTriever	EM	IR 1325330

Exhibit 23.1

Consent of Independent Registered Public Accounting Firm

Inari Medical, Inc.
Irvine, California

We hereby consent to the use in the Prospectus constituting a part of this Registration Statement of our report dated February 21, 2020, relating to the financial statements of Inari Medical, Inc., which is contained in that Prospectus.

We also consent to the reference to us under the caption “Experts” in the Prospectus.

/s/ BDO USA, LLP
Costa Mesa, California

February 21, 2020