QuickLinks -- Click here to rapidly navigate through this document

As confidentially submitted to the Securities and Exchange Commission on April 3, 2018, as Amendment No. 2 to the draft registration statement.
This draft registration statement has not been publicly filed with the Securities and Exchange Commission and all information herein remains confidential.

Registration No. 333-

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

Form S-1
REGISTRATION STATEMENT
UNDER
THE SECURITIES ACT OF 1933

Liquidia Technologies, Inc.
(Exact name of registrant as specified in its charter)

Delaware	**2836**	**20-1926605**
(State or other jurisdiction of incorporation or organization)	(Primary Standard Industrial Classification Code Number)	(I.R.S. Employer Identification Number)

419 Davis Drive, Suite 100
Morrisville, North Carolina 27560
Telephone: (919) 328-4400
(Address, including zip code, and telephone number, including area code, of registrant's principal executive offices)

Neal F. Fowler
Chief Executive Officer
Liquidia Technologies, Inc.
419 Davis Drive, Suite 100
Morrisville, North Carolina 27560
Telephone: (919) 328-4400
(Name, address, including zip code, and telephone number, including area code, of agent for service)

Copies to:

Andrew P. Gilbert
David C. Schwartz
DLA Piper LLP (US)
51 John F. Kennedy Parkway, Suite 120
Short Hills, New Jersey 07078
(973) 520-2550

Brent B. Siler
Brian Leaf
Divakar Gupta
Cooley LLP
1299 Pennsylvania Avenue NW,
Suite 700
Washington, DC 20004
(202) 842-7800

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. o

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

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

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

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

Large accelerated filer o	Accelerated filer o	Non-accelerated filer ☒ (Do not check if a smaller reporting company)	Smaller reporting company o Emerging growth company ☒

If an emerging growth company, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards provided pursuant to Section 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[3]
Common stock, par value $0.001 per share	$	$

(1) Estimated solely for the purpose of calculating the registration fee in accordance with Rule 457(o) under the Securities Act of 1933.

(2) Includes shares subject to the underwriters' option to purchase additional shares.

(3) Calculated pursuant to Rule 457(o) based on an estimate of the proposed maximum aggregate offering price.

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.

Explanatory Note

Liquidia Technologies, Inc. has prepared this Amendment No. 2 to its draft registration statement on Form S-1, as amended (this "Amendment No. 2"), as most recently confidentially submitted to the Securities and Exchange Commission on March 14, 2018 (the "Draft Registration Statement"), solely for the purpose of filing Exhibits 4.1, 10.2, 10.13, 10.14, 10.15, 10.16, 10.17, 10.18, 10.19, 10.20, 10.21, 10.22, 10.23, 10.28, 10.30, 10.32 and 10.33, and making corresponding updates to Item 16 and the Exhibit Index of the Draft Registration Statement. This Amendment No. 2 does not modify any provision of the prospectus that forms Part I of the Draft Registration Statement and accordingly such prospectus has not been included herein.

PART II

INFORMATION NOT REQUIRED IN PROSPECTUS

Item 13. *Other Expenses of Issuance and Distribution*

The following table 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 U.S. Securities and Exchange Commission, or the SEC, registration fee, the FINRA filing fee and Nasdaq listing fee.

	Amount
SEC registration fee	$ *
FINRA filing fee	*
Nasdaq 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.*

Section 102 of the Delaware General Corporation Law, or the DGCL, permits a corporation to eliminate the personal liability of directors of a corporation to the corporation or its stockholders for monetary damages for a breach of fiduciary duty as a director, except where the director breached his duty of loyalty, failed to act in good faith, engaged in intentional misconduct or knowingly violated a law, authorized the payment of a dividend or approved a stock repurchase in violation of Delaware corporate law or obtained an improper personal benefit. Our amended and restated certificate of incorporation will provide that no director of the Registrant shall be personally liable to it or its stockholders for monetary damages for any breach of fiduciary duty as a director, notwithstanding any provision of law imposing such liability, except to the extent that the DGCL prohibits the elimination or limitation of liability of directors for breaches of fiduciary duty.

Section 145 of the DGCL provides that a corporation has the power to indemnify a director, officer, employee or agent of the corporation, or a person serving at the request of the corporation for another corporation, partnership, joint venture, trust or other enterprise in related capacities against expenses (including attorneys' fees), judgments, fines and amounts paid in settlement actually and reasonably incurred by the person in connection with an action, suit or proceeding to which he was or is a party or is threatened to be made a party to any threatened, ending or completed action, suit or proceeding by reason of such position, if such person acted in good faith and in a manner he reasonably believed to be in or not opposed to the best interests of the corporation, and, in any criminal action or proceeding, had no reasonable cause to believe his conduct was unlawful, except that, in the case of actions brought by or in the right of the corporation, no indemnification shall be made with respect to any claim, issue or matter as to which such person shall have been adjudged to be liable to the corporation unless and only to the extent that the Court of Chancery or other adjudicating court determines that, despite the adjudication of liability

but in view of all of 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.

Upon completion of this offering, our amended and restated certificate of incorporation and amended and restated bylaws will provide indemnification for our directors and officers to the fullest extent permitted by the DGCL. We will indemnify each person who was or is a party or threatened to be made a party to any threatened, pending or completed action, suit or proceeding (other than an action by or in the right of us) by reason of the fact that he or she is or was, or has agreed to become, a director or officer, or is or was serving, or has agreed to serve, at our request as a director, officer, partner, employee or trustee of, or in a similar capacity with, another corporation, partnership, joint venture, trust or other enterprise (all such persons being referred to as an Indemnitee), or by reason of any action alleged to have been taken or omitted in such capacity, against all expenses (including attorneys' fees), judgments, fines and amounts paid in settlement actually and reasonably incurred in connection with such action, suit or proceeding and any appeal therefrom, if such Indemnitee acted in good faith and in a manner he or she reasonably believed to be in, or not opposed to, our best interests, and, with respect to any criminal action or proceeding, he or she had no reasonable cause to believe his or her conduct was unlawful. Our amended and restated certificate of incorporation and amended and restated bylaws will provide that we will indemnify any Indemnitee who was or is a party to an action or suit by or in the right of us to procure a judgment in our favor by reason of the fact that the Indemnitee is or was, or has agreed to become, a director or officer, or is or was serving, or has agreed to serve, at our request as a director, officer, partner, employee or trustee of, or in a similar capacity with, another corporation, partnership, joint venture, trust or other enterprise, or by reason of any action alleged to have been taken or omitted in such capacity, against all expenses (including attorneys' fees) and, to the extent permitted by law, amounts paid in settlement actually and reasonably incurred in connection with such action, suit or proceeding, and any appeal therefrom, if the Indemnitee acted in good faith and in a manner he or she reasonably believed to be in, or not opposed to, our best interests, except that no indemnification shall be made with respect to any claim, issue or matter as to which such person shall have been adjudged to be liable to us, unless a court determines that, despite such adjudication but in view of all of the circumstances, he or she is entitled to indemnification of such expenses. Notwithstanding the foregoing, to the extent that any Indemnitee has been successful, on the merits or otherwise, he or she will be indemnified by us against all expenses (including attorneys' fees) actually and reasonably incurred in connection therewith. Expenses must be advanced to an Indemnitee under certain circumstances.

Prior to the completion of this offering, we intend to enter into separate indemnification agreements with each of our directors and certain officers. Each indemnification agreement will provide, among other things, for indemnification to the fullest extent permitted by law and our amended and restated certificate of incorporation and amended and restated bylaws against any and all expenses, judgments, fines, penalties and amounts paid in settlement of any claim. The indemnification agreements will provide for the advancement or payment of all expenses to the indemnitee and for the reimbursement to us if it is found that such indemnitee is not entitled to such indemnification under applicable law and our amended and restated certificate of incorporation and amended and restated bylaws.

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 of 1933, as amended, or the Securities Act, against certain liabilities.

Item 15. ***Recent Sales of Unregistered Securities.***

The following sets forth information as to all securities we have sold since April 1, 2015, which were not registered under the Securities Act.

Series D Preferred Stock

On February 2, 2018, we issued and sold an aggregate of 82,560,006 shares of Series D preferred stock at a price per share equal to $0.59808. Of the 27 investors which participated in the initial closing of this offering, six investors purchased an aggregate of 34,276,349 shares of Series D preferred stock for an aggregate of $20.5 million and 26 holders of outstanding convertible notes in the aggregate amount of $28.9 million converted into an aggregate of 48,283,657 shares of Series D preferred stock.

Pursuant to the terms of the Series D Preferred Stock Purchase Agreement, on February 15, 2018 we sold 8,360,085 shares of Series D preferred stock to an accredited investor for a total purchase price of $5.0 million.

Additionally, pursuant to the terms of the Series D Preferred Stock Purchase Agreement, we offered our existing stockholders who are accredited investors the opportunity to purchase their pro rata portion of the Series D preferred stock in a rights offering. On February 28, 2018, we sold an aggregate of 227,391 shares of Series D preferred stock for an aggregate purchase price of $135,998.

We claimed an exemption from registration under the Securities Act for the issuance and sale of the Series D preferred stock under Section 4(a)(2) of the Securities Act in that such sales and issuances do not involve a public offering.

Unsecured Subordinated Convertible Promissory Notes

In a series of closings from January 9, 2017 to November 29, 2017, we issued and sold an aggregate of approximately $27.4 million underlying a total of 27 unsecured subordinated convertible promissory notes, each accruing simple interest at a rate of 8% per annum, or the Notes. See "Description of Capital Stock — Common Stock" for more information.

We claimed an exemption from registration under the Securities Act for the issuance and sale of the Notes under Section 4(a)(2) of the Securities Act in that such sales and issuances did not involve a public offering.

Warrants

In connection with the closings of the Notes from January 9, 2017 to February 17, 2017, we issued and sold 17 warrants to purchase an aggregate of 3,698,128 shares of our Series C-1 preferred stock at an exercise price of $0.001 per share which are convertible into an aggregate of 4,394,914 shares of common stock. See "Description of Capital Stock — Warrants" for more information.

We claimed an exemption from registration under the Securities Act for the issuance and sale of such Warrants under Section 4(a)(2) of the Securities Act in that such sales and issuances did not involve a public offering.

Options

On May 13, 2015, we granted incentive stock options to five employees to purchase an aggregate of 58,000 shares of common stock under our 2004 Plan, with an exercise price equal to $0.28 per share.

On May 21, 2015, we granted incentive stock options to 17 employees to purchase an aggregate of 3,374,000 shares of common stock under our 2004 Plan, with an exercise price equal to $0.28 per share.

145,417 of such option shares have subsequently been exercised for common stock and 197,083 option shares were terminated without being exercised.

On August 27, 2015, we granted incentive stock options to nine employees to purchase an aggregate of 960,362 shares of common stock under our 2004 Plan, with an exercise price equal to $0.28 per share. 239,766 of such option shares have subsequently been exercised for common stock.

On November 3, 2015, we granted incentive stock options to nine employees to purchase an aggregate of 713,161 shares of common stock under our 2004 Plan, with an exercise price equal to $0.28 per share. 30,000 of such option shares have subsequently been exercised for common stock. 168,400 of such option shares were terminated without being exercised.

On February 10, 2016, we granted incentive stock options to six employees to purchase an aggregate of 662,756 shares of common stock under our 2004 Plan, with an exercise price equal to $0.35 per share. 17,617 of such option shares were terminated without being exercised.

On August 10, 2016, we granted incentive stock options to eight employees to purchase an aggregate of 465,617 shares of common stock under the Liquidia Technologies, Inc. 2016 Equity Incentive Plan, as amended, or the 2016 Plan, with an exercise price equal to $0.35 per share.

On August 30, 2016, we granted incentive stock options to three employees to purchase an aggregate of 235,000 shares of common stock under the 2016 Plan, with an exercise price equal to $0.35 per share.

On December 7, 2016, we granted a non-statutory stock option to Arthur Kirsch, a director, to purchase 150,000 shares of common stock under the 2016 Plan, with an exercise price equal to $1.21 per share.

On March 15, 2017, we granted incentive stock options to seven employees to purchase an aggregate of 219,000 shares of common stock under the 2016 Plan, with an exercise price equal to $1.21 per share. 9,000 of such option shares were terminated without being exercised.

On May 31, 2017, we granted an incentive stock option to an employee to purchase 18,000 shares of common stock under the 2016 Plan, with an exercise price equal to $1.21 per share.

On March 7, 2018, we granted incentive stock options to 64 employees to purchase an aggregate of 11,835,767 shares of common stock under the 2016 Plan, with an exercise price equal to $0.55 per share. Included in these 64 grants were grants to: (i) Neal Fowler, our Chief Executive Officer, for 3,900,000 shares; (ii) Kevin Gordon, our President and Chief Financial Officer, for 2,146,767 shares; (iii) Robert Lippe, our Chief Operations Officer, for 735,000 shares; (iv) Dr. Robert Roscigno, our Senior Vice President, Product Development, for 600,000 shares; (v) Dr. Benjamin Maynor, our Senior Vice President, Research and Development, for 700,000 shares; (vi) Jason Adair, our Vice President, Business Development and Strategy, for 350,000 shares; and (vii) Timothy Albury, our Senior Vice President, Chief Accounting Officer, for 514,000 shares.

On March 7, 2018, we also granted non-statutory stock options to four directors to purchase an aggregate of 1,810,000 shares of common stock under the 2016 Plan, with an exercise price equal to $0.55 per share. These four grants comprised grants to: (i) Arthur Kirsch, for 135,000 shares; (ii) Dr. Seth Rudnick, for 930,000 shares; (iii) Dr. Ralph Snyderman, for 460,000 shares; and (iv) Raman Singh, for 285,000 shares.

On March 7, 2018, in connection with his employment agreement, we granted Mr. Gordon 2,146,767 restricted stock units, equal to one percent of our issued and outstanding capital stock on a fully-diluted basis on the date of grant. Further, pursuant to his employment agreement, on the date of execution of the underwriting agreement Mr. Gordon is also entitled to (i) a stock option award under the Liquidia Technologies, Inc. 2018 Long-Term Incentive Plan, or the 2018 Plan, to purchase shares of our common stock equal to 1% of our capital stock on a fully-diluted basis on the date of grant (shares assuming

we sell shares in this offering) with an exercise price per share equal to the initial public offering price, and (ii) a restricted stock unit award equal to 1% of our capital stock on a fully-diluted basis on the date of grant (shares assuming we sell shares in this offering).

We claimed exemption from registration under the Securities Act for the sales and issuances of securities in the transactions described above under Section 4(a)(2) of the Securities Act in that such sales and issuances did not involve a public offering or under Rule 701 promulgated under the Securities Act, or Rule 701, in that they were offered and sold either pursuant to written compensatory plans or pursuant to a written contract relating to compensation, as provided by Rule 701.

On the date of execution of the underwriting agreement, in addition to the option to be granted to Mr. Gordon upon the closing of this offering we expect to grant, under the 2018 Plan to certain of our officers and directors, an aggregate of shares of common stock issuable upon the exercise of stock options.

On March 27, 2018, we granted incentive stock options to two employees to purchase an aggregate of 25,000 shares of Common Stock under our 2016 Plan, with an exercise price equal to $0.55 per share.

All of the foregoing securities are deemed restricted securities for purposes of the Securities Act. All certificates representing the issued securities described in this Item 15 included appropriate legends setting forth that the securities had not been registered and the applicable restrictions on transfer.

Item 16. ***Exhibits and Financial Statement Schedules.***

(a) The following exhibits are filed as part of this Registration Statement:

Exhibit Number	Description
1.1*	Form of Underwriting Agreement.
3.1**	Amended and Restated Certificate of Incorporation currently in effect.
3.2**	Certificate of Correction to the Amended and Restated Certificate of Incorporation currently in effect.
3.3*	Form of Amended and Restated Certificate of Incorporation, to be in effect after the consummation of this offering.
3.3**	Bylaws, as amended, currently in effect.
3.4*	Form of Amended and Restated Bylaws, to be in effect after the consummation of this offering.
4.1	Form of Specimen Common Stock Certificate.
4.2**	2016 Letter Agreement Promissory Note, issued by the Company to The University of North Carolina at Chapel Hill on June 10, 2016, as amended on December 2, 2017.
4.3**	Form of Warrant to Purchase Shares of Series B Preferred Stock, issued by the Company on March 28, 2008.
4.4**	Form of Warrant to Purchase Shares of Series C-1 Preferred Stock, issued by the Company in January 2017 and February 2017.
4.5**	Seventh Amended and Restated Investors' Rights Agreement, dated as of February 2, 2018, by and among the Company, the Investors party thereto and the Common Holders party thereto.
5.1*	Opinion of DLA Piper LLP (US).
10.1**	Liquidia Technologies, Inc. Stock Option Plan (2004), as amended, and forms of award agreements thereunder.

Exhibit Number	Description
10.2	Liquidia Technologies, Inc. 2016 Equity Incentive Plan, as amended, and forms of award agreements thereunder.
10.3*	Liquidia Technologies, Inc. 2018 Long-Term Incentive Plan, and forms of award agreements thereunder.
10.4*	Form of Indemnification Agreement with the Company's executive officers and directors.
10.5**	Loan and Security Agreement, dated as of January 6, 2016, by and between the Company and Pacific Western Bank.
10.6**	Second Amendment to Loan and Security Agreement, dated as of October 12, 2016, by and between the Company and Pacific Western Bank.
10.7**	Third Amendment to Loan and Security Agreement, dated as of December 28, 2016, by and between the Company and Pacific Western Bank.
10.8**	Fourth Amendment to Loan and Security Agreement, dated as of March 30, 2017, by and between the Company and Pacific Western Bank.
10.9**	Fifth Amendment to Loan and Security Agreement, dated as of April 28, 2017, by and between the Company and Pacific Western Bank.
10.10**	Sixth Amendment to Loan and Security Agreement, dated as of June 14, 2017, by and between the Company and Pacific Western Bank.
10.11**	Seventh Amendment to Loan and Security Agreement, dated as of October 27, 2017, by and between the Company and Pacific Western Bank.
10.12**	Eighth Amendment to Loan and Security Agreement, dated as of November 30, 2017, by and between the Company and Pacific Western Bank.
10.13	Ninth Amendment to Loan and Security Agreement, dated as of March 29, 2018, by and between the Company and Pacific Western Bank.
10.14+	Inhaled Collaboration and Option Agreement, dated as of June 15, 2012, by and between the Company and Glaxo Group Limited.
10.15+	Amendment No. 1 to the Inhaled Collaboration and Option Agreement, dated as of May 13, 2015, by and between the Company and Glaxo Group Limited.
10.16+	Second Amendment to the Inhaled Collaboration and Option Agreement, dated as of November 19, 2015, by and between the Company and Glaxo Group Limited.
10.17+	Development and License Agreement, dated as of June 8, 2016, by and between the Company and G&W Laboratories, Inc.
10.18+	Amendment 1 to the Development and License Agreement, dated as of November 8, 2016, by and between the Company and G&W Laboratories, Inc.
10.19+	Amended and Restated License Agreement, dated as of December 15, 2008, as amended, by and between the Company and The University of North Carolina at Chapel Hill.
10.20+	First Amendment to Amended and Restated License Agreement, dated as of June 8, 2009, by and between the Company and The University of North Carolina at Chapel Hill.
10.21	Sixth Amendment to Amended and Restated License Agreement, dated as of June 10, 2016, by and between the Company and The University of North Carolina at Chapel Hill.
10.22+	Manufacturing Development and Scale-up Agreement, dated as of March 19, 2012, by and between the Company and Chasm Technologies, Inc.

Exhibit Number	Description
10.23+	1st Amendment to Manufacturing Development and Scale-up Agreement, dated as of May 25, 2017, by and between the Company and Chasm Technologies, Inc.
10.24#**	Amended and Restated Executive Employment Agreement, dated as of January 31, 2018, by and between the Company and Neal Fowler.
10.25#**	Executive Employment Agreement, dated as of January 22, 2018, by and between the Company and Kevin Gordon.
10.26#**	Form of Amended and Restated Executive Employment Agreement to be entered into between the Company and Robert Lippe.
10.27#**	Amended and Restated Executive Employment Agreement, effective January 22, 2018, by and between the Company and Timothy Albury.
10.28#	Form of Amended and Restated Executive Employment Agreement to be entered into between the Company and Timothy Albury.
10.29*	Non-Employee Director Compensation Policy.
10.30#	Liquidia Technologies, Inc. Annual Cash Bonus Plan.
10.31#*	Executive Severance and Change in Control Plan.
10.32	Lease Agreement, dated as of April 14, 2005, by and between the Company and Technology VII-IX, LLC, as amended.
10.33	Lease Agreement, dated as of June 29, 2007, by and between the Company and GRE Keystone Technologies One LLC, as amended.
23.1*	Consent of PricewaterhouseCoopers LLP, independent Registered Public Accounting Firm.
23.2*	Consent of DLA Piper LLP (US) (included in Exhibit 5.1).
23.3*	Consent of Decision Resources Group.
24.1*	Power of Attorney (included on signature page).

* To be filed by amendment.

** Previously filed.

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

\# Indicates management contract or compensatory plan.

Item 17. ***Undertakings.***

The undersigned registrant hereby undertakes to provide to the underwriters at the closing specified in the underwriting agreement certificates in such denominations and registered in such names as required by the underwriters 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 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 of 1933, as amended, and will be governed by the final adjudication of such issue.

The undersigned registrant hereby undertakes that:

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

(2) 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.

(3) 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 of 1933, as amended, the registrant certifies that it has reasonable grounds to believe that it meets all the requirements for filing on Form S-1 and has duly caused this registration statement to be signed on its behalf by the undersigned, thereunto duly authorized, in the Town of Morrisville, State of North Carolina, on this day of , 2018.

By: _____

Name: Neal Fowler
Title: *Chief Executive Officer*

POWER OF ATTORNEY

KNOW ALL MEN BY THESE PRESENTS, that each person whose signature appears below constitutes and appoints each of Neal Fowler and Kevin Gordon his true and lawful attorney-in-fact, with full power of substitution and resubstitution for him and in his name, place and stead, in any and all capacities to sign any and all amendments including post-effective amendments to this registration statement (including, without limitation, any additional registration statement filed pursuant to Rule 462 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, hereby ratifying and confirming all that said attorney-in-fact or his substitute, each acting alone, may lawfully do or cause to be done by virtue thereof.

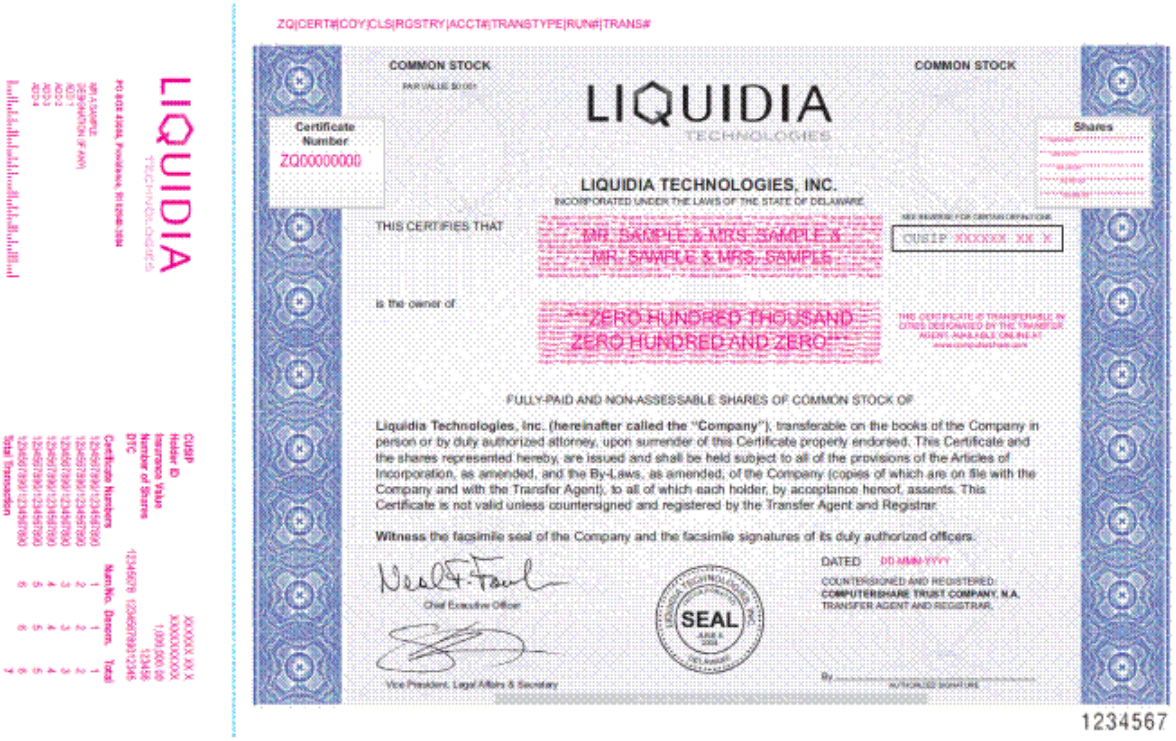
Pursuant to the requirements of the Securities Act of 1933, this Registration Statement has been signed by the following persons in the capacities and on the dates indicated.

Name	Position	Date
Neal Fowler	Director and Chief Executive Officer (Principal Executive Officer)	, 2018
Kevin Gordon	President and Chief Financial Officer (Principal Financial Officer)	, 2018
Timothy Albury	Senior Vice President, Chief Accounting Officer (Principal Accounting Officer)	, 2018
Seth Rudnick	Chairman of the Board of Directors	, 2018
Stephen Bloch	Director	, 2018

Name	Position	Date
_____ Edward Mathers	Director	, 2018
_____ Isaac Cheng	Director	, 2018
_____ Ralph Snyderman	Director	, 2018
_____ Arthur Kirsch	Director	, 2018
_____ Jason Rushton	Director	, 2018
_____ Raman Singh	Director	, 2018

QuickLinks

Exhibit 4.1



ZQ|CERT#|COY|CLS|RGSTRY|ACCT#|TRANSTYPE|RUN#|TRANS#

COMMON STOCK

PAR VALUE $0.001

COMMON STOCK

LIQUIDIA TECHNOLOGIES

Certificate Number

ZQ00000000

Shares

LIQUIDIA TECHNOLOGIES, INC.

INCORPORATED UNDER THE LAWS OF THE STATE OF DELAWARE

SEE REVERSE FOR CERTAIN DEFINITIONS

THIS CERTIFIES THAT

MR. SAMPLE & MRS. SAMPLE &
MR. SAMPLE & MRS. SAMPLE

CUSIP XXXXX XX X

is the owner of

**ZERO HUNDRED THOUSAND
ZERO HUNDRED AND ZERO**

THIS CERTIFICATE IS TRANSFERABLE IN CITIES DESIGNATED BY THE TRANSFER AGENT. AVAILABLE ONLINE AT www.computershare.com

FULLY-PAID AND NON-ASSESSABLE SHARES OF COMMON STOCK OF

Liquidia Technologies, Inc. (hereinafter called the "Company"), transferable on the books of the Company in person or by duly authorized attorney, upon surrender of this Certificate properly endorsed. This Certificate and the shares represented hereby, are issued and shall be held subject to all of the provisions of the Articles of Incorporation, as amended, and the By-Laws, as amended, of the Company (copies of which are on file with the Company and with the Transfer Agent), to all of which each holder, by acceptance hereof, assents. This Certificate is not valid unless countersigned and registered by the Transfer Agent and Registrar.

Witness the facsimile seal of the Company and the facsimile signatures of its duly authorized officers.

DATED DD-MMM-YYYY

Chief Executive Officer

SEAL

Vice President, Legal Affairs & Secretary

COUNTERSIGNED AND REGISTERED:
COMPUTERSHARE TRUST COMPANY, N.A.
TRANSFER AGENT AND REGISTRAR,

By _____
AUTHORIZED SIGNATURE

1234567

LIQUIDIA TECHNOLOGIES

PO BOX 43006, Providence, RI 02940-3006

SEE REVERSE FOR CERTAIN DEFINITIONS

ADD 1
ADD 2
ADD 3
ADD 4
ADD 5
ADD 6

CUSIP XXXXX XX X
Holder ID XXXXXXXXX
Insurance Value 1,000,000.00
Number of Shares 1234567
DTC 12345678912345

Certificate Numbers	Num	Denom	Total
12345678912345678900	1	1	1
12345678912345678900	2	2	2
12345678912345678900	3	3	3
12345678912345678900	4	4	4
12345678912345678900	5	5	5
12345678912345678900	6	6	6
Total Transaction			7

LIQUIDIA TECHNOLOGIES, INC.

THE COMPANY WILL FURNISH WITHOUT CHARGE TO EACH SHAREHOLDER WHO SO REQUESTS, A SUMMARY OF THE POWERS, DESIGNATIONS, PREFERENCES AND RELATIVE, PARTICIPATING, OPTIONAL OR OTHER SPECIAL RIGHTS OF EACH CLASS OF STOCK OF THE COMPANY AND THE QUALIFICATIONS, LIMITATIONS OR RESTRICTIONS OF SUCH PREFERENCES AND RIGHTS, AND THE VARIATIONS IN RIGHTS, PREFERENCES AND LIMITATIONS DETERMINED FOR EACH SERIES, WHICH ARE FIXED BY THE ARTICLES OF INCORPORATION OF THE COMPANY, AS AMENDED, AND THE RESOLUTIONS OF THE BOARD OF DIRECTORS OF THE COMPANY, AND THE AUTHORITY OF THE BOARD OF DIRECTORS TO DETERMINE VARIATIONS FOR FUTURE SERIES. SUCH REQUEST MAY BE MADE TO THE OFFICE OF THE SECRETARY OF THE COMPANY OR TO THE TRANSFER AGENT. THE BOARD OF DIRECTORS MAY REQUIRE THE OWNER OF A LOST OR DESTROYED STOCK CERTIFICATE, OR HIS LEGAL REPRESENTATIVES, TO GIVE THE COMPANY A BOND TO INDEMNIFY IT AND ITS TRANSFER AGENTS AND REGISTRARS AGAINST ANY CLAIM THAT MAY BE MADE AGAINST THEM ON ACCOUNT OF THE ALLEGED LOSS OR DESTRUCTION OF ANY SUCH 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	UNIF GIFT MIN ACT -.....(Cust).....Custodian.....(Minor).....
TEN ENT - as tenants by the entireties	under Uniform Gifts to Minors Act.....(State).....
JT TEN - as joint tenants with right of survivorship and not as tenants in common	UNIF TRF MIN ACT -.....(Cust).....Custodian (until age.....) .....(Minor).....under Uniform Transfers to Minors Act.....(State).....

Additional abbreviations may also be used though not in the above list.

PLEASE INSERT SOCIAL SECURITY OR OTHER IDENTIFYING NUMBER OF ASSIGNEE

For value received, _____ hereby sell, assign and transfer unto

_____

(PLEASE PRINT OR TYPEWRITE NAME AND ADDRESS, INCLUDING POSTAL ZIP CODE, OF ASSIGNEE)

_____

_____

_____ Shares

of the common stock represented by the within Certificate, and do hereby irrevocably constitute and appoint

_____ Attorney

to transfer the said stock on the books of the within-named Company with full power of substitution in the premises.

Dated: _____ 20_____

Signature: _____

Signature: _____

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 whatever.

Signature(s) Guaranteed: Medallion Guarantee Stamp

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.

SECURITY INSTRUCTIONS

THIS IS WATERMARKED PAPER - DO NOT ACCEPT WITHOUT NOTING WATERMARK. HOLD TO LIGHT TO VERIFY WATERMARK.

The IRS requires that the named transfer agent ("we") report the cost basis of certain shares or units acquired after January 1, 2011. If your shares or units are covered by the legislation, and you requested to sell or transfer the shares or units using a specific cost basis calculation method, then we have processed as you requested. If you did not specify a cost basis calculation method, then we have defaulted to the first in, first out (FIFO) method. Please consult your tax advisor if you need additional information about cost basis.

If you do not keep in contact with the issuer or do not have any activity in your account for the time period specified by state law, your property may become subject to state unclaimed property laws and transferred to the appropriate state.

1534201

LIQUIDIA TECHNOLOGIES, INC.

2016 EQUITY INCENTIVE PLAN

ADOPTED BY THE BOARD OF DIRECTORS: May 18, 2016
APPROVED BY THE STOCKHOLDERS: August 10, 2016
TERMINATION DATE: May 17, 2026

1. GENERAL.

(a) Successor to and Continuation of Prior Plan. The Plan is intended as the successor to and continuation of the Liquidia Technologies, Inc. Stock Option Plan, as amended (the "***Prior Plan***"). Following the Effective Date, no additional option awards will be granted under the Prior Plan. All Awards granted on or after the Effective Date will be granted under this Plan. All option awards granted under the Prior Plan will remain subject to the terms of the Prior Plan. Any shares that would otherwise remain available for future grants under the Prior Plan as of the Effective Date will cease to be available under the Prior Plan at such time.

(b) Eligible Stock Award Recipients. Employees, Directors and Consultants are eligible to receive Stock Awards.

(c) Available Stock Awards. The Plan provides for the grant of the following types of Stock Awards: (i) Incentive Stock Options, (ii) Nonstatutory Stock Options, (iii) Stock Appreciation Rights, (iv) Restricted Stock Awards, (v) Restricted Stock Unit Awards and (vi) Other Stock Awards.

(d) Purpose. The Plan, through the grant of Stock Awards, is intended to help the Company secure and retain the services of eligible award recipients, provide incentives for such persons to exert maximum efforts for the success of the Company and any Affiliate and provide a means by which the eligible recipients may benefit from increases in value of the Common Stock.

2. ADMINISTRATION.

(a) Administration by the Board. The Board will administer the Plan. The Board may delegate administration of the Plan to a Committee or Committees, as provided in Section 2(c).

(b) Powers of the Board. The Board will have the power, subject to, and within the limitations of, the express provisions of the Plan:

(i) To determine (A) who will be granted Stock Awards; (B) when and how each Stock Award will be granted; (C) what type of Stock Award will be granted; (D) the provisions of each Stock Award (which need not be identical), including when a person will be permitted to exercise or otherwise receive cash or Common Stock under the Stock Award; (E) the number of shares of Common Stock subject to, or the cash value of, a Stock Award; and (F) the Fair Market Value applicable to a Stock Award.

(ii) To construe and interpret the Plan and Stock Awards granted under it, and to establish, amend and revoke rules and regulations for administration of the Plan and Stock Awards. The

Board, in the exercise of these powers, may correct any defect, omission or inconsistency in the Plan or in any Stock Award Agreement, in a manner and to the extent it will deem necessary or expedient to make the Plan or Stock Award fully effective.

(iii) To settle all controversies regarding the Plan and Stock Awards granted under it.

(iv) To accelerate, in whole or in part, the time at which a Stock Award may be exercised or vest (or the time at which cash or shares of Common Stock may be issued in settlement thereof).

(v) To suspend or terminate the Plan at any time. Except as otherwise provided in the Plan or a Stock Award Agreement, suspension or termination of the Plan will not impair a Participant's rights under the Participant's then-outstanding Stock Award without the Participant's written consent except as provided in subsection (viii) below.

(vi) To amend the Plan in any respect the Board deems necessary or advisable, including, without limitation, by adopting amendments relating to Incentive Stock Options and certain nonqualified deferred compensation under Section 409A of the Code and/or bringing the Plan or Stock Awards granted under the Plan into compliance with the requirements for Incentive Stock Options or ensuring that they are exempt from, or compliant with, the requirements for nonqualified deferred compensation under Section 409A of the Code, subject to the limitations, if any, of applicable law. If required by applicable law or listing requirements, and except as provided in Section 9(a) relating to Capitalization Adjustments, the Company will seek stockholder approval of any amendment of the Plan that (A) materially increases the number of shares of Common Stock available for issuance under the Plan, (B) materially expands the class of individuals eligible to receive Stock Awards under the Plan, (C) materially increases the benefits accruing to Participants under the Plan, (D) materially reduces the price at which shares of Common Stock may be issued or purchased under the Plan, (E) materially extends the term of the Plan, or (F) materially expands the types of Stock Awards available for issuance under the Plan. Except as otherwise provided in the Plan or a Stock Award Agreement, no amendment of the Plan will materially impair a Participant's rights under an outstanding Stock Award without the Participant's written consent.

(vii) To submit any amendment to the Plan for stockholder approval, including, but not limited to, amendments to the Plan intended to satisfy the requirements of Section 422 of the Code regarding Incentive Stock Options.

(viii) To approve forms of Stock Award Agreements for use under the Plan and to amend the terms of any one or more Stock Awards, including, but not limited to, amendments to provide terms more favorable to the Participant than previously provided in the Stock Award Agreement, subject

to any specified limits in the Plan that are not subject to Board discretion; *provided however,* that a Participant's rights under any Stock Award will not be impaired by any such amendment unless (A) the Company requests the consent of the affected Participant, and (B) such Participant consents in writing. Notwithstanding the foregoing, (1) a Participant's rights will not be deemed to have been impaired by any such amendment if the Board, in its sole discretion, determines that the amendment, taken as a whole, does not materially impair the Participant's rights, and (2) subject to the limitations of applicable law, if any, the Board may amend the terms of any one or more Stock Awards without the affected Participant's consent (A) to maintain the qualified status of the Stock Award as an

Incentive Stock Option under Section 422 of the Code; (B) to change the terms of an Incentive Stock Option, if such change results in impairment of the Stock Award solely because it impairs the qualified status of the Stock Award as an Incentive Stock Option under Section 422 of the Code; (C) to clarify the manner of exemption from, or to bring the Stock Award into compliance with, Section 409A of the Code; or (D) to comply with other applicable laws.

(ix) Generally, to exercise such powers and to perform such acts as the Board deems necessary or expedient to promote the best interests of the Company and that are not in conflict with the provisions of the Plan or Stock Awards.

(x) To adopt such procedures and sub-plans as are necessary or appropriate to permit participation in the Plan by Employees, Directors or Consultants who are foreign nationals or employed outside the United States (provided that Board approval will not be necessary for immaterial modifications to the Plan or any Stock Award Agreement that are required for compliance with the laws of the relevant foreign jurisdiction).

(xi) To effect, with the consent of any adversely affected Participant, (A) the reduction of the exercise, purchase or strike price of any outstanding Stock Award; (B) the cancellation of any outstanding Stock Award and the grant in substitution therefor of a new (1) Option or SAR, (2) Restricted Stock Award, (3) Restricted Stock Unit Award, (4) Other Stock Award, (5) cash and/or (6) other valuable consideration determined by the Board, in its sole discretion, with any such substituted award (x) covering the same or a different number of shares of Common Stock as the cancelled Stock Award and (y) granted under the Plan or another equity or compensatory plan of the Company; or (C) any other action that is treated as a repricing under generally accepted accounting principles.

(c) Delegation to Committee. The Board may delegate some or all of the administration of the Plan to a Committee or Committees. If administration of the Plan is delegated to a Committee, the Committee will have, in connection with the administration of the Plan, the powers theretofore possessed by the Board that have been delegated to the Committee, including the power to delegate to a subcommittee of the Committee any of the administrative powers the Committee is authorized to exercise (and references in this Plan to the Board will thereafter be to the Committee or subcommittee, as applicable). Any delegation of administrative powers will be reflected in resolutions, not inconsistent with the provisions of the Plan, adopted from time to time by the Board or Committee (as applicable). The Board may retain the authority to concurrently administer the Plan with the Committee and may, at any time, revest in the Board some or all of the powers previously delegated.

(d) Delegation to an Officer. The Board may delegate to one or more Officers the authority to do one or both of the following: (i) designate Employees who are not Officers to be recipients of Options and SARs (and, to the extent permitted by applicable law, other Stock Awards) and, to the extent permitted by applicable law, the terms of such Stock Awards, and (ii) determine the number of shares of Common Stock to be subject to such Stock Awards granted to such Employees; *provided*, *however*, that the Board resolutions regarding such delegation will specify the total number of shares of Common Stock that may be subject to the Stock Awards granted by such Officer and that such Officer may not grant a Stock Award to himself or herself. Any such Stock Awards will be granted on the form of Stock Award Agreement most recently approved for use by the Committee or the Board, unless otherwise provided in the resolutions approving the delegation authority. The Board may not delegate authority to an Officer who is acting solely in the capacity of an Officer (and not also as a Director) to determine the Fair Market Value pursuant to Section 13(t) below.

(e) Effect of Board's Decision. All determinations, interpretations and constructions made by the Board in good faith will not be subject to review by any person and will be final, binding and conclusive on all persons.

3. SHARES SUBJECT TO THE PLAN.

(a) Share Reserve.

(i) Subject to Section 9(a) relating to Capitalization Adjustments, the aggregate number of shares of Common Stock that may be issued pursuant to Stock Awards from and after the Effective Date will not exceed 1,612,504 shares (the ***"Share Reserve"***).

(ii) For clarity, the Share Reserve in this Section 3(a) is a limitation on the number of shares of Common Stock that may be issued pursuant to the Plan. Accordingly, this Section 3(a) does not limit the granting of Stock Awards except as provided in Section 7(a).

(b) Reversion of Shares to the Share Reserve. If a Stock Award or any portion thereof (i) expires or otherwise terminates without all of the shares covered by such Stock Award having been issued or (ii) is settled in cash (*i.e.*, the Participant receives cash rather than stock), such expiration, termination or settlement will not reduce (or otherwise offset) the number of shares of Common Stock that may be available for issuance under the Plan. If any shares of Common Stock issued pursuant to a Stock Award are forfeited back to or repurchased by the Company because of the failure to meet a contingency or condition required to vest such shares in the Participant, then the shares that are forfeited or repurchased will revert to and again become available for issuance under the Plan. Any shares reacquired by the Company in satisfaction of tax withholding obligations on a Stock Award or as consideration for the exercise or purchase price of a Stock Award will again become available for issuance under the Plan.

(c) Incentive Stock Option Limit. Subject to the Share Reserve and Section 9(a) relating to Capitalization Adjustments, the aggregate maximum number of shares of Common Stock that may be issued pursuant to the exercise of Incentive Stock Options will be a number of shares of Common Stock equal to three multiplied by the Share Reserve.

(d) **Source of Shares**. The stock issuable under the Plan will be shares of authorized but unissued or reacquired Common Stock, including shares repurchased by the Company on the open market or otherwise.

4. **ELIGIBILITY**.

(a) **Eligibility for Specific Stock Awards**. Incentive Stock Options may be granted only to employees of the Company or a "parent corporation" or "subsidiary corporation" thereof (as such terms are defined in Sections 424(e) and 424(f) of the Code). Stock Awards other than Incentive Stock Options may be granted to Employees, Directors and Consultants; *provided, however*, that Stock Awards may not be granted to Employees, Directors and Consultants who are providing Continuous Service only to any "parent" of the Company, as such term is defined in Rule 405, unless (i) the stock underlying such Stock Awards is treated as "service recipient stock" under Section 409A of the Code (for example, because the Stock Awards are granted pursuant to a corporate transaction such as a spin off transaction), (ii) the Company, in consultation with its legal counsel, has determined that such Stock Awards are otherwise exempt from Section 409A of the Code, or (iii) the Company, in consultation with its legal counsel, has

determined that such Stock Awards comply with the distribution requirements of Section 409A of the Code.

(b) **Ten Percent Stockholders**. A Ten Percent Stockholder will not be granted an Incentive Stock Option unless the exercise price of such Option is at least 110% of the Fair Market Value on the date of grant and the Option is not exercisable after the expiration of five years from the date of grant.

(c) **Consultants**. A Consultant will not be eligible for the grant of a Stock Award if, at the time of grant, either the offer or sale of the Company's securities to such Consultant is not exempt under Rule 701 because of the nature of the services that the Consultant is providing to the Company, because the Consultant is not a natural person, or because of any other provision of Rule 701, unless the Company determines that such grant need not comply with the requirements of Rule 701 and will satisfy another exemption under the Securities Act as well as comply with the securities laws of all other relevant jurisdictions**.**

5. **PROVISIONS RELATING TO OPTIONS AND STOCK APPRECIATION RIGHTS**.

Each Option or SAR will be in such form and will contain such terms and conditions as the Board deems appropriate. All Options will be separately designated Incentive Stock Options or Nonstatutory Stock Options at the time of grant, and, if certificates are issued, a separate certificate or certificates will be issued for shares of Common Stock purchased on exercise of each type of Option. If an Option is not specifically designated as an Incentive Stock Option, or if an Option is designated as an Incentive Stock Option but some portion or all of the Option fails to qualify as an Incentive Stock Option under the applicable rules, then the Option (or portion thereof) will be a Nonstatutory Stock Option. The provisions of separate Options or SARs need not be identical; *provided*, *however*, that each Stock Award Agreement will conform to (through incorporation of provisions hereof by reference in the applicable Stock Award Agreement or otherwise) the substance of each of the following provisions:

(a) **Term**. Subject to the provisions of Section 4(b) regarding Ten Percent Stockholders, no Option or SAR will be exercisable after the expiration of 10 years from the date of its grant or such shorter period specified in the Stock Award Agreement.

(b) **Exercise Price**. Subject to the provisions of Section 4(b) regarding Ten Percent Stockholders, the exercise or strike price of each Option or SAR will be not less than 100% of the Fair Market Value of the Common Stock subject to the Option or SAR on the date the Stock Award is granted. Notwithstanding the foregoing, an Option or SAR may be granted with an exercise or strike price lower than 100% of the Fair Market Value of the Common Stock subject to the Stock Award if such Stock Award is granted pursuant to an assumption of or substitution for another option or stock appreciation right pursuant to a Corporate Transaction and in a manner consistent with the provisions of Section 409A of the Code and, if applicable, Section 424(a) of the Code. Each SAR will be denominated in shares of Common Stock equivalents.

(c) **Purchase Price for Options**. The purchase price of Common Stock acquired pursuant to the exercise of an Option may be paid, to the extent permitted by applicable law and as determined by the Board in its sole discretion, by any combination of the methods of payment set forth below. The Board will have the authority to grant Options that do not permit all of the following methods of payment (or otherwise restrict the ability to use certain methods) and to grant Options that require the consent of the Company to use a particular method of payment. The permitted methods of payment are as follows:

(i) by cash, check, bank draft or money order payable to the Company;

(ii) pursuant to a program developed under Regulation T as promulgated by the Federal Reserve Board that, prior to the issuance of the stock subject to the Option, results in either the receipt of cash (or check) by the Company or the receipt of irrevocable instructions to pay the aggregate exercise price to the Company from the sales proceeds;

(iii) by delivery to the Company (either by actual delivery or attestation) of shares of Common Stock;

(iv) if an Option is a Nonstatutory Stock Option, by a "net exercise" arrangement pursuant to which the Company will reduce the number of shares of Common Stock issuable upon exercise by the largest whole number of shares with a Fair Market Value that does not exceed the aggregate exercise price; *provided*, *however*, that the Company will accept a cash or other payment from the Participant to the extent of any remaining balance of the aggregate exercise price not satisfied by such reduction in the number of whole shares to be issued. Shares of Common Stock will no longer be subject to an Option and will not be exercisable thereafter to the extent that (A) shares issuable upon exercise are used to pay the exercise price pursuant to the "net exercise," (B) shares are delivered to the Participant as a result of such exercise, and (C) shares are withheld to satisfy tax withholding obligations;

(v) according to a deferred payment or similar arrangement with the Optionholder; *provided*, *however*, that interest will compound at least annually and will be charged at the minimum rate of interest necessary to avoid (A) the imputation of interest income to the Company and compensation

income to the Optionholder under any applicable provisions of the Code, and (B) the classification of the Option as a liability for financial accounting purposes; or

(vi) in any other form of legal consideration that may be acceptable to the Board and specified in the applicable Stock Award Agreement.

(d) Exercise and Payment of a SAR. To exercise any outstanding SAR, the Participant must provide written notice of exercise to the Company in compliance with the provisions of the Stock Appreciation Right Agreement evidencing such SAR. The appreciation distribution payable on the exercise of a SAR will be not greater than an amount equal to the excess of (A) the aggregate Fair Market Value (on the date of the exercise of the SAR) of a number of shares of Common Stock equal to the number of Common Stock equivalents in which the Participant is vested under such SAR, and with respect to which the Participant is exercising the SAR on such date, over (B) the aggregate strike price of the number of Common Stock equivalents with respect to which the Participant is exercising the SAR on such date. The appreciation distribution may be paid in Common Stock, in cash, in any combination of the two or in any other form of consideration, as determined by the Board and contained in the Stock Award Agreement evidencing such SAR.

(e) Transferability of Options and SARs. The Board may, in its sole discretion, impose such limitations on the transferability of Options and SARs as the Board will determine. In the absence of such a determination by the Board to the contrary, the following restrictions on the transferability of Options and SARs will apply:

(i) Restrictions on Transfer. An Option or SAR will not be transferable except by will or by the laws of descent and distribution (or pursuant to subsections (ii) and (iii) below), and will be exercisable during the lifetime of the Participant only by the Participant. The Board may permit transfer

of the Option or SAR in a manner that is not prohibited by applicable tax and securities laws. Except as explicitly provided in the Plan, neither an Option nor a SAR may be transferred for consideration.

(ii) Domestic Relations Orders. Subject to the approval of the Board or a duly authorized Officer, an Option or SAR may be transferred pursuant to the terms of a domestic relations order, official marital settlement agreement or other divorce or separation instrument as permitted by Treasury Regulation 1.421-1(b)(2). If an Option is an Incentive Stock Option, such Option may be deemed to be a Nonstatutory Stock Option as a result of such transfer.

(iii) Beneficiary Designation. Subject to the approval of the Board or a duly authorized Officer, a Participant may, by delivering written notice to the Company, in a form approved by the Company (or the designated broker), designate a third party who, upon the death of the Participant, will thereafter be entitled to exercise the Option or SAR and receive the Common Stock or other consideration resulting from such exercise. In the absence of such a designation, upon the death of the Participant, the executor or administrator of the Participant's estate will be entitled to exercise the Option or SAR and receive the Common Stock or other consideration resulting from such exercise. However, the Company may prohibit designation of a beneficiary at any time, including due to any conclusion by the Company that such designation would be inconsistent with the provisions of applicable laws.

(f) Vesting Generally. The total number of shares of Common Stock subject to an Option or SAR may vest and therefore become exercisable in periodic installments that may or may not be equal. The Option or SAR may be subject to such other terms and conditions on the time or times when it may or may not be exercised (which may be based on the satisfaction of performance goals or other criteria) as the Board may deem appropriate. The vesting provisions of individual Options or SARs may vary. The provisions of this Section 5(f) are subject to any Option or SAR provisions governing the minimum number of shares of Common Stock as to which an Option or SAR may be exercised.

(g) Termination of Continuous Service. Except as otherwise provided in the applicable Stock Award Agreement or other agreement between the Participant and the Company, if a Participant's Continuous Service terminates (other than for Cause and other than upon the Participant's death or Disability), the Participant may exercise his or her Option or SAR (to the extent that the Participant was entitled to exercise such Stock Award as of the date of termination of Continuous Service) within the period of time ending on the earlier of (i) the date three months following the termination of the Participant's Continuous Service (or such longer or shorter period specified in the applicable Stock Award Agreement, which period will not be less than 30 days if necessary to comply with applicable laws unless such termination is for Cause) and (ii) the expiration of the term of the Option or SAR as set forth in the Stock Award Agreement. If, after termination of Continuous Service, the Participant does not exercise his or her Option or SAR (as applicable) within the applicable time frame, the Option or SAR will terminate.

(h) Extension of Termination Date. If the exercise of an Option or SAR following the termination of the Participant's Continuous Service (other than for Cause and other than upon the Participant's death or Disability) would be prohibited at any time solely because the issuance of shares of Common Stock would violate the registration requirements under the Securities Act, then the Option or SAR will terminate on the earlier of (i) the expiration of a total period of time (that need not be consecutive) equal to the applicable post-termination exercise period after the termination of the Participant's Continuous Service during which the exercise of the Option or SAR would not be in violation of such registration requirements, and (ii) the expiration of the term of the Option or SAR as set forth in the applicable Stock Award Agreement. In addition, unless otherwise provided in a Participant's

Stock Award Agreement, if the sale of any Common Stock received upon exercise of an Option or SAR following the termination of the Participant's Continuous Service (other than for Cause) would violate the Company's insider trading policy, then the Option or SAR will terminate on the earlier of (i) the expiration of the period of time (that need not be consecutive) equal to the applicable post-termination exercise period after the termination of the Participant's Continuous Service during which the sale of the Common Stock received upon exercise of the Option or SAR would not be in violation of the Company's insider trading policy, and (ii) the expiration of the term of the Option or SAR as set forth in the applicable Stock Award Agreement.

(i) Disability of Participant. Except as otherwise provided in the applicable Stock Award Agreement or other agreement between the Participant and the Company, if a Participant's Continuous Service terminates as a result of the Participant's Disability, the Participant may exercise his or her Option or SAR (to the extent that the Participant was entitled to exercise such Option or SAR as of the date of termination of Continuous Service), but only

within such period of time ending on the earlier of (i) the date 12 months following such termination of Continuous Service (or such longer or shorter period specified in the Stock Award Agreement, which period will not be less than six months if necessary to comply with applicable laws unless such termination is for Cause), and (ii) the expiration of the term of the Option or SAR as set forth in the Stock Award Agreement. If, after termination of Continuous Service, the Participant does not exercise his or her Option or SAR within the applicable time frame, the Option or SAR (as applicable) will terminate.

(j) Death of Participant. Except as otherwise provided in the applicable Stock Award Agreement or other agreement between the Participant and the Company, if (i) a Participant's Continuous Service terminates as a result of the Participant's death, or (ii) the Participant dies within the period (if any) specified in the Stock Award Agreement for exercisability after the termination of the Participant's Continuous Service (for a reason other than death), then the Option or SAR may be exercised (to the extent the Participant was entitled to exercise such Option or SAR as of the date of death) by the Participant's estate, by a person who acquired the right to exercise the Option or SAR by bequest or inheritance or by a person designated to exercise the Option or SAR upon the Participant's death, but only within the period ending on the earlier of (i) the date 18 months following the date of death (or such longer or shorter period specified in the Stock Award Agreement, which period will not be less than six months if necessary to comply with applicable laws unless such termination is for Cause), and (ii) the expiration of the term of such Option or SAR as set forth in the Stock Award Agreement. If, after the Participant's death, the Option or SAR is not exercised within the applicable time frame, the Option or SAR (as applicable) will terminate.

(k) Termination for Cause. Except as explicitly provided otherwise in a Participant's Stock Award Agreement or other individual written agreement between the Company or any Affiliate and the Participant, if a Participant's Continuous Service is terminated for Cause, the Option or SAR will terminate immediately upon such Participant's termination of Continuous Service, and the Participant will be prohibited from exercising his or her Option or SAR from and after the date of such termination of Continuous Service.

(l) Non-Exempt Employees. If an Option or SAR is granted to an Employee who is a non-exempt employee for purposes of the Fair Labor Standards Act of 1938, as amended, the Option or SAR will not be first exercisable for any shares of Common Stock until at least six months following the date of grant of the Option or SAR (although the Stock Award may vest prior to such date). Consistent with the provisions of the Worker Economic Opportunity Act, (i) if such non-exempt Employee dies or suffers a Disability, (ii) upon a Corporate Transaction in which such Option or SAR is not assumed, continued,

or substituted, (iii) upon a Change in Control, or (iv) upon the Participant's retirement (as such term may be defined in the Participant's Stock Award Agreement, in another agreement between the Participant and the Company, or, if no such definition, in accordance with the Company's then current employment policies and guidelines), the vested portion of any Options and SARs may be exercised earlier than six months following the date of grant. The foregoing provision is intended to operate so that any income derived by a non-exempt employee in connection with the exercise or vesting of an Option or SAR will be exempt from his or her regular rate of pay. To the extent permitted and/or required for compliance with the Worker Economic Opportunity Act to ensure that any income derived by a non-exempt employee in connection with the exercise, vesting or issuance of any shares under any other Stock Award will be exempt from the employee's regular rate of pay, the provisions of this Section 5(l) will apply to all Stock Awards and are hereby incorporated by reference into such Stock Award Agreements.

(m) Early Exercise of Options. An Option may, but need not, include a provision whereby the Optionholder may elect at any time before the Optionholder's Continuous Service terminates to exercise the Option as to any part or all of the shares of Common Stock subject to the Option prior to the full vesting of the Option. Subject to the "Repurchase Limitation" in Section 8(l), any unvested shares of Common Stock so purchased may be subject to a repurchase right in favor of the Company or to any other restriction the Board determines to be appropriate. Provided that the "Repurchase Limitation" in Section 8(l) is not violated, the Company will not be required to exercise its repurchase right until at least six months (or such longer or shorter period of time required to avoid classification of the Option as a liability for financial accounting purposes) have elapsed following exercise of the Option unless the Board otherwise specifically provides in the Option Agreement.

(n) Right of Repurchase. Subject to the "Repurchase Limitation" in Section 8(l), the Option or SAR may include a provision whereby the Company may elect to repurchase all or any part of the vested shares of Common Stock acquired by the Participant pursuant to the exercise of the Option or SAR.

(o) Right of First Refusal. The Option or SAR may include a provision whereby the Company may elect to exercise a right of first refusal following receipt of notice from the Participant of the intent to transfer all or any part of the shares of Common Stock received upon the exercise of the Option or SAR. Such right of first refusal will be subject to the "Repurchase Limitation" in Section 8(l). Except as expressly provided in this Section 5(o) or in the Stock Award Agreement, such right of first refusal will otherwise comply with any applicable provisions of the bylaws of the Company.

6. PROVISIONS OF STOCK AWARDS OTHER THAN OPTIONS AND SARS.

(a) Restricted Stock Awards. Each Restricted Stock Award Agreement will be in such form and will contain such terms and conditions as the Board will deem appropriate. To the extent consistent with the Company's bylaws, at the Board's election, shares of Common Stock underlying a Restricted Stock Award may be (i) held in book entry form subject to the Company's instructions until any restrictions relating to the Restricted Stock Award lapse; or (ii) evidenced by a certificate, which certificate will be held in such form and manner as determined by the Board. The terms and conditions of Restricted Stock Award Agreements may change from time to time, and the terms and conditions of separate Restricted Stock Award Agreements need not be identical. Each Restricted Stock Award Agreement will conform to (through incorporation of the provisions hereof by reference in the agreement or otherwise) the substance of each of the following provisions:

(i) Consideration. A Restricted Stock Award may be awarded in consideration for (A) cash, check, bank draft or money order payable to the Company, (B) past services to the Company or an Affiliate, or (C) any other form of legal consideration (including future services) that may be acceptable to the Board, in its sole discretion, and permissible under applicable law.

(ii) Vesting. Subject to the "Repurchase Limitation" in Section 8(l), shares of Common Stock awarded under the Restricted Stock Award Agreement may be subject to forfeiture to the Company in accordance with a vesting schedule to be determined by the Board.

(iii) Termination of Participant's Continuous Service. If a Participant's Continuous Service terminates, the Company may receive through a forfeiture condition or a repurchase right, any or all of the shares of Common Stock held by the Participant that have not vested as of the date of termination of Continuous Service under the terms of the Restricted Stock Award Agreement.

(iv) Transferability. Rights to acquire shares of Common Stock under the Restricted Stock Award Agreement will be transferable by the Participant only upon such terms and conditions as are set forth in the Restricted Stock Award Agreement, as the Board will determine in its sole discretion, so long as Common Stock awarded under the Restricted Stock Award Agreement remains subject to the terms of the Restricted Stock Award Agreement.

(v) Dividends. A Restricted Stock Award Agreement may provide that any dividends paid on Restricted Stock will be subject to the same vesting and forfeiture restrictions as apply to the shares subject to the Restricted Stock Award to which they relate.

(b) Restricted Stock Unit Awards. Each Restricted Stock Unit Award Agreement will be in such form and will contain such terms and conditions as the will Board deem appropriate. The terms and conditions of Restricted Stock Unit Award Agreements may change from time to time, and the terms and conditions of separate Restricted Stock Unit Award Agreements need not be identical. Each Restricted Stock Unit Award Agreement will conform to (through incorporation of the provisions hereof by reference in the Agreement or otherwise) the substance of each of the following provisions:

(i) Consideration. At the time of grant of a Restricted Stock Unit Award, the Board will determine the consideration, if any, to be paid by the Participant upon delivery of each share of Common Stock subject to the Restricted Stock Unit Award. The consideration to be paid (if any) by the Participant for each share of Common Stock subject to a Restricted Stock Unit Award may be paid in any form of legal consideration that may be acceptable to the Board, in its sole discretion, and permissible under applicable law.

(ii) Vesting. At the time of the grant of a Restricted Stock Unit Award, the Board may impose such restrictions on or conditions to the vesting of the Restricted Stock Unit Award as it, in its sole discretion, deems appropriate.

(iii) Payment. A Restricted Stock Unit Award may be settled by the delivery of shares of Common Stock, their cash equivalent, any combination thereof or in any other form of consideration, as determined by the Board and contained in the Restricted Stock Unit Award Agreement.

(iv) Additional Restrictions. At the time of the grant of a Restricted Stock Unit Award, the Board, as it deems appropriate, may impose such restrictions or conditions that delay the

delivery of the shares of Common Stock (or their cash equivalent) subject to a Restricted Stock Unit Award to a time after the vesting of such Restricted Stock Unit Award.

(v) Dividend Equivalents. Dividend equivalents may be credited in respect of shares of Common Stock covered by a Restricted Stock Unit Award, as determined by the Board and contained in the Restricted Stock Unit Award Agreement. At the sole discretion of the Board, such dividend equivalents may be converted into additional shares of Common Stock covered by the Restricted Stock Unit Award in such manner as determined by the Board. Any additional shares covered by the Restricted Stock Unit Award credited by reason of such dividend equivalents will be subject to all of the same terms and conditions of the underlying Restricted Stock Unit Award Agreement to which they relate.

(vi) Termination of Participant's Continuous Service. Except as otherwise provided in the applicable Restricted Stock Unit Award Agreement, such portion of the Restricted Stock Unit Award that has not vested will be forfeited upon the Participant's termination of Continuous Service.

(vii) Compliance with Section 409A of the Code. Notwithstanding anything to the contrary set forth herein, any Restricted Stock Unit Award granted under the Plan that is not exempt from the requirements of Section 409A of the Code shall contain such provisions so that such Restricted Stock Unit Award will comply with the requirements of Section 409A of the Code. Such restrictions, if any, shall be determined by the Board and contained in the Restricted Stock Unit Award Agreement evidencing such Restricted Stock Unit Award. For example, such restrictions may include, without limitation, a requirement that any Common Stock that is to be issued in a year following the year in which the Restricted Stock Unit Award vests must be issued in accordance with a fixed pre-determined schedule.

(c) Other Stock Awards. Other forms of Stock Awards valued in whole or in part by reference to, or otherwise based on, Common Stock, including the appreciation in value thereof (e.g., options or stock rights with an exercise price or strike price less than 100% of the Fair Market Value of the Common Stock at the time of grant) may be granted either alone or in addition to Stock Awards provided for under Section 5 and the preceding provisions of this Section 6. Subject to the provisions of the Plan, the Board will have sole and complete authority to determine the persons to whom and the time or times at which such Other Stock Awards will be granted, the number of shares of Common Stock (or the cash equivalent thereof) to be granted pursuant to such Other Stock Awards and all other terms and conditions of such Other Stock Awards.

7. COVENANTS OF THE COMPANY.

(a) Availability of Shares. The Company will keep available at all times the number of shares of Common Stock reasonably required to satisfy then-outstanding Stock Awards.

(b) Securities Law Compliance. The Company will seek to obtain from each regulatory commission or agency having jurisdiction over the Plan such authority as may be required to grant Stock Awards and to issue and sell shares of Common Stock upon exercise of the Stock Awards; *provided, however,* that this undertaking will not require the Company to register under the Securities Act the Plan, any Stock Award or any Common Stock issued or issuable pursuant to any such Stock Award. If, after reasonable efforts and at a reasonable cost, the Company is unable to obtain from any such regulatory commission or agency the authority that counsel for the Company deems necessary for the lawful issuance and sale of Common Stock under the Plan, the Company will be relieved from any liability for

failure to issue and sell Common Stock upon exercise of such Stock Awards unless and until such authority is obtained. A Participant will not be eligible for the grant of a Stock Award or the subsequent issuance of cash or Common Stock pursuant to the Stock Award if such grant or issuance would be in violation of any applicable securities law.

(c) No Obligation to Notify or Minimize Taxes. The Company will have no duty or obligation to any Participant to advise such holder as to the time or manner of exercising such Stock Award. Furthermore, the Company will have no duty or obligation to warn or otherwise advise such holder of a pending termination or expiration of a Stock Award or a possible period in which the Stock Award may not be exercised. The Company has no duty or obligation to minimize the tax consequences of a Stock Award to the holder of such Stock Award.

8. MISCELLANEOUS.

(a) Use of Proceeds from Sales of Common Stock. Proceeds from the sale of shares of Common Stock pursuant to Stock Awards will constitute general funds of the Company.

(b) Corporate Action Constituting Grant of Stock Awards. Corporate action constituting a grant by the Company of a Stock Award to any Participant will be deemed completed as of the date of such corporate action, unless otherwise determined by the Board, regardless of when the instrument, certificate, or letter evidencing the Stock Award is communicated to, or actually received or accepted by, the Participant. In the event that the corporate records (e.g., Board consents, resolutions or minutes) documenting the corporate action constituting the grant contain terms (e.g., exercise price, vesting schedule or number of shares) that are inconsistent with those in the Stock Award Agreement or related grant documents as a result of a clerical error in the papering of the Stock Award Agreement or related grant documents, the corporate records will control and the Participant will have no legally binding right to the incorrect term in the Stock Award Agreement or related grant documents.

(c) Stockholder Rights. No Participant will be deemed to be the holder of, or to have any of the rights of a holder with respect to, any shares of Common Stock subject to a Stock Award unless and until (i) such Participant has satisfied all requirements for exercise of, or the issuance of shares of Common Stock under, the Stock Award pursuant to its terms, and (ii) the issuance of the Common Stock subject to the Stock Award has been entered into the books and records of the Company.

(d) No Employment or Other Service Rights. Nothing in the Plan, any Stock Award Agreement or any other instrument executed thereunder or in connection with any Stock Award granted pursuant thereto will confer upon any Participant any right to continue to serve the Company or an Affiliate in the capacity in effect at the time the Stock Award was granted or will affect the right of the Company or an Affiliate to terminate (i) the employment of an Employee with or without notice and with or without cause, (ii) the service of a Consultant pursuant to the terms of such Consultant's agreement with the Company or an Affiliate, or (iii) the service of a Director pursuant to the bylaws of the Company or an Affiliate, and any applicable provisions of the corporate law of the state in which the Company or the Affiliate is incorporated, as the case may be.

(e) Change in Time Commitment. In the event a Participant's regular level of time commitment in the performance of his or her services for the Company and any Affiliates is reduced (for example, and without limitation, if the Participant is an Employee of the Company and the Employee has a change in status from a full-time Employee to a part-time Employee or takes an extended leave of absence) after the date of grant of any Stock Award to the Participant, the Board has the right in its sole

discretion to (x) make a corresponding reduction in the number of shares subject to any portion of such Stock Award that is scheduled to vest or become payable after the date of such change in time commitment, and (y) in lieu of or in combination with such a reduction, extend the vesting or payment schedule applicable to such Stock Award. In the event of any such reduction, the Participant will have no right with respect to any portion of the Stock Award that is so reduced or extended.

(f) Incentive Stock Option Limitations. To the extent that the aggregate Fair Market Value (determined at the time of grant) of Common Stock with respect to which Incentive Stock Options are exercisable for the first time by any Optionholder during any calendar year (under all plans of the Company and any Affiliates) exceeds $100,000 (or such other limit established in the Code) or otherwise does not comply with the rules governing Incentive Stock Options, the Options or portions thereof that exceed such limit (according to the order in which they were granted) or otherwise do not comply with such rules will be treated as Nonstatutory Stock Options, notwithstanding any contrary provision of the applicable Option Agreement(s).

(g) Investment Assurances. The Company may require a Participant, as a condition of exercising or acquiring Common Stock under any Stock Award, (i) to give written assurances satisfactory to the Company as to the Participant's knowledge and experience in financial and business matters and/or to employ a purchaser representative reasonably satisfactory to the Company who is knowledgeable and experienced in financial and business matters and that the Participant is capable of evaluating, alone or together with the purchaser representative, the merits and risks of exercising the Stock Award; and (ii) to give written assurances satisfactory to the Company stating that the Participant is acquiring Common Stock subject to the Stock Award for the Participant's own account and not with any present intention of selling or otherwise distributing the Common Stock. The foregoing requirements, and any assurances given pursuant to such requirements, will be inoperative if (A) the issuance of the shares upon the exercise or acquisition of Common Stock under the Stock Award has been registered under a then currently effective registration statement under the Securities Act, or (B) as to any particular requirement, a determination is made by counsel for the Company that such requirement need not be met in the circumstances under the then applicable securities laws. The Company may, upon advice of counsel to the Company, place legends on stock certificates issued under the Plan as such counsel deems necessary or appropriate in order to comply with applicable securities laws, including, but not limited to, legends restricting the transfer of the Common Stock.

(h) Withholding Obligations. Unless prohibited by the terms of a Stock Award Agreement, the Company may, in its sole discretion, satisfy any federal, state or local tax withholding obligation relating to a Stock Award by any of the following means or by a combination of such means: (i) causing the Participant to tender a cash payment; (ii) withholding shares of Common Stock from the shares of Common Stock issued or otherwise issuable to the Participant in connection with the Stock Award; *provided*, *however*, that no shares of Common Stock are withheld with a value exceeding the minimum amount of tax required to be withheld by law (or such lesser amount as may be necessary to avoid classification of the Stock Award as a liability for financial accounting purposes); (iii) withholding cash from a Stock Award settled in cash; (iv) withholding payment from any amounts otherwise payable to the Participant; or (v) by such other method as may be set forth in the Stock Award Agreement.

(i) Electronic Delivery. Any reference herein to a "written" agreement or document will include any agreement or document delivered electronically or posted on the Company's intranet (or other shared electronic medium controlled by the Company to which the Participant has access).

(j) Deferrals. To the extent permitted by applicable law, the Board, in its sole discretion, may determine that the delivery of Common Stock or the payment of cash, upon the exercise, vesting or settlement of all or a portion of any Stock Award may be deferred and may establish programs and procedures for deferral elections to be made by Participants. Deferrals by Participants will be made in accordance with Section 409A of the Code. Consistent with Section 409A of the Code, the Board may provide for distributions while a Participant is still an employee or otherwise providing services to the Company. The Board is authorized to make deferrals of Stock Awards and determine when, and in what annual percentages, Participants may receive payments, including lump sum payments, following the Participant's termination of Continuous Service, and implement such other terms and conditions consistent with the provisions of the Plan and in accordance with applicable law.

(k) Compliance with Section 409A of the Code. To the extent that the Board determines that any Stock Award granted hereunder is subject to Section 409A of the Code, the Stock Award Agreement evidencing such Stock Award shall incorporate the terms and conditions necessary to avoid the consequences specified in Section 409A(a)(1) of the Code. To the extent applicable, the Plan and Stock Award Agreements shall be interpreted in accordance with Section 409A of the Code. Notwithstanding anything to the contrary in the Plan (and unless the Stock Award Agreement specifically provides otherwise), if the shares of Common Stock are publicly traded, and if a Participant holding a Stock Award that constitutes "deferred compensation" under Section 409A of the Code is a "specified employee" for purposes of Section 409A of the Code, no distribution or payment of any amount that is due because of a "separation from service" (as defined in Section 409A of the Code without regard to alternative definitions thereunder) will be issued or paid before the date that is six months following the date of such Participant's "separation from service" (as defined in Section 409A of the Code without regard to alternative definitions thereunder) or, if earlier, the date of the Participant's death, unless such distribution or payment can be made in a manner that complies with Section 409A of the Code, and any amounts so deferred will be paid in a lump sum on the day after such six month period elapses, with the balance paid thereafter on the original schedule.

(l) Repurchase Limitation. The terms of any repurchase right will be specified in the Stock Award Agreement. The repurchase price for vested shares of Common Stock will be the Fair Market Value of the shares of Common Stock on the date of repurchase. The repurchase price for unvested shares of Common Stock will be the lower of (i) the Fair Market Value of the shares of Common Stock on the date of repurchase or (ii) their original purchase price. However, the Company will not exercise its repurchase right until at least six months (or such longer or shorter period of time necessary to avoid classification of the Stock Award as a liability for financial accounting purposes) have elapsed following delivery of shares of Common Stock subject to the Stock Award, unless otherwise specifically provided by the Board.

9. ADJUSTMENTS UPON CHANGES IN COMMON STOCK; OTHER CORPORATE EVENTS.

(a) Capitalization Adjustments. In the event of a Capitalization Adjustment, the Board will appropriately and proportionately adjust: (i) the class(es) and maximum number of securities subject to the Plan pursuant to Section 3(a), (ii) the class(es) and maximum number of securities that may be issued pursuant to the exercise of Incentive Stock Options pursuant to Section 3(c), and (iii) the class(es) and number of securities and price per share of stock subject to outstanding Stock Awards. The Board will make such adjustments, and its determination will be final, binding and conclusive.

(b) Dissolution or Liquidation. Except as otherwise provided in the Stock Award Agreement, in the event of a dissolution or liquidation of the Company, all outstanding Stock Awards

(other than Stock Awards consisting of vested and outstanding shares of Common Stock not subject to a forfeiture condition or the Company's right of repurchase) will terminate immediately prior to the completion of such dissolution or liquidation, and the shares of Common Stock subject to the Company's repurchase rights or subject to a forfeiture condition may be repurchased or reacquired by the Company notwithstanding the fact that the holder of such Stock Award is providing Continuous Service, *provided, however,* that the Board may, in its sole discretion, cause some or all Stock Awards to become fully vested, exercisable and/or no longer subject to repurchase or forfeiture (to the extent such Stock Awards have not previously expired or terminated) before the dissolution or liquidation is completed but contingent on its completion.

(c) Corporate Transaction. The following provisions will apply to Stock Awards in the event of a Corporate Transaction unless otherwise provided in the instrument evidencing the Stock Award or any other written agreement between the Company or any Affiliate and the Participant or unless otherwise expressly provided by the Board at the time of grant of a Stock Award. In the event of a Corporate Transaction, then, notwithstanding any other provision of the Plan, the Board may take one or more of the following actions with respect to Stock Awards, contingent upon the closing or completion of the Corporate Transaction:

(i) arrange for the surviving corporation or acquiring corporation (or the surviving or acquiring corporation's parent company) to assume or continue the Stock Award or to substitute a similar stock award for the Stock Award (including, but not limited to, an award to acquire the same consideration paid to the stockholders of the Company pursuant to the Corporate Transaction);

(ii) arrange for the assignment of any reacquisition or repurchase rights held by the Company in respect of Common Stock issued pursuant to the Stock Award to the surviving corporation or acquiring corporation (or the surviving or acquiring corporation's parent company);

(iii) accelerate the vesting, in whole or in part, of the Stock Award (and, if applicable, the time at which the Stock Award may be exercised) to a date prior to the effective time of such Corporate Transaction as the Board determines (or, if the Board does not determine such a date, to the date that is five days prior to the effective date of the Corporate Transaction), with such Stock Award terminating if not exercised (if applicable) at or prior to the effective time of the Corporate Transaction; *provided, however*, that the Board may require Participants to complete and deliver to the Company a notice of exercise before the effective date of a Corporate Transaction, which exercise is contingent upon the effectiveness of such Corporate Transaction;

(iv) arrange for the lapse, in whole or in part, of any reacquisition or repurchase rights held by the Company with respect to the Stock Award;

(v) cancel or arrange for the cancellation of the Stock Award, to the extent not vested or not exercised prior to the effective time of the Corporate Transaction, in exchange for such cash consideration as the Board, in its sole discretion, may consider appropriate;

(vi) cancel or arrange for the cancellation of the Stock Award, to the extent not vested or not exercised prior to the effective time of the Corporate Transaction, without the payment of consideration; and

(vii) make a payment, in such form as may be determined by the Board equal to the excess, if any, of (A) the value of the property the Participant would have received upon the exercise of

the Stock Award immediately prior to the effective time of the Corporate Transaction, over (B) any exercise price payable by such holder in connection with such exercise. For clarity, this payment may be zero ($0) if the value of the property is equal to or less than the exercise price. Payments under this provision may be delayed to the same extent that payment of consideration to the holders of the Company's Common Stock in connection with the Corporate Transaction is delayed as a result of escrows, earn outs, holdbacks or any other contingencies.

The Board need not take the same action or actions with respect to all Stock Awards or portions thereof or with respect to all Participants. The Board may take different actions with respect to the vested and unvested portions of a Stock Award.

(d) Change in Control. A Stock Award may be subject to additional acceleration of vesting and exercisability upon or after a Change in Control as may be provided in the Stock Award Agreement for such Stock Award or as may be provided in any other written agreement between the Company or any Affiliate and the Participant, but in the absence of such provision, no such acceleration will occur.

10. PLAN TERM; EARLIER TERMINATION OR SUSPENSION OF THE PLAN.

(a) Plan Term. The Board may suspend or terminate the Plan at any time. Unless terminated sooner by the Board, the Plan will automatically terminate on the day before the 10th anniversary of the earlier of (i) the date the Plan is adopted by the Board, or (ii) the date the Plan is approved by the stockholders of the Company. No Stock Awards may be granted under the Plan while the Plan is suspended or after it is terminated.

(b) No Impairment of Rights. Suspension or termination of the Plan will not impair rights and obligations under any Stock Award granted while the Plan is in effect except with the written consent of the affected Participant or as otherwise permitted in the Plan.

11. EFFECTIVE DATE OF PLAN.

This Plan will become effective on the Effective Date.

12. CHOICE OF LAW.

The laws of the State of Delaware will govern all questions concerning the construction, validity and interpretation of this Plan, without regard to that state's conflict of laws rules.

13. DEFINITIONS. As used in the Plan, the following definitions will apply to the capitalized terms indicated below:

(a) "***Affiliate***" means, at the time of determination, any "parent" or "majority-owned subsidiary" of the Company, as such terms are defined in Rule 405. The Board will have the authority to determine the time or times at which "parent" or "majority-owned subsidiary" status is determined within the foregoing definition.

(b) "***Board***" means the Board of Directors of the Company.

(c) "***Capitalization Adjustment***" means any change that is made in, or other events that occur with respect to, the Common Stock subject to the Plan or subject to any Stock Award after the Effective Date without the receipt of consideration by the Company through merger, consolidation, reorganization,

recapitalization, reincorporation, stock dividend, dividend in property other than cash, large nonrecurring cash dividend, stock split, reverse stock split, liquidating dividend, combination of shares, exchange of shares, change in corporate structure, or any similar equity restructuring transaction, as that term is used in Statement of Financial Accounting Standards Board Accounting Standards Codification Topic 718 (or any successor thereto). Notwithstanding the foregoing, the conversion of any convertible securities of the Company will not be treated as a Capitalization Adjustment.

(d) "***Cause***" will have the meaning ascribed to such term in any written agreement between the Participant and the Company defining such term and, in the absence of such agreement, such term means, with respect to a Participant, the occurrence of any of the following events: (i) such Participant's commission of any felony or any crime involving fraud, dishonesty or moral turpitude under the laws of the United States or any state thereof; (ii) such Participant's attempted commission of, or participation in, a fraud or act of dishonesty against the Company; (iii) such Participant's intentional, material violation of any contract or agreement between the Participant and the Company or of any statutory duty owed to the Company; (iv) such Participant's unauthorized use or disclosure of the Company's confidential information or trade secrets; or (v) such Participant's gross misconduct. The determination that a termination of the Participant's Continuous Service is either for Cause or without Cause will be made by the Company, in its sole discretion. Any determination by the Company that the Continuous Service of a Participant was terminated with or without Cause for the purposes of outstanding Stock Awards held by such Participant will have no effect upon any determination of the rights or obligations of the Company or such Participant for any other purpose.

(e) "***Change in Control***" means the occurrence, in a single transaction or in a series of related transactions, of any one or more of the following events:

(i) any Exchange Act Person becomes the Owner, directly or indirectly, of securities of the Company representing more than 50% of the combined voting power of the Company's then outstanding securities other than by virtue of a merger, consolidation or similar transaction. Notwithstanding the foregoing, a Change in Control will not be deemed to occur (A) on account of the acquisition of securities of the Company directly from the Company, (B) on account of the acquisition of securities of the Company by an investor, any affiliate thereof or any other Exchange Act Person that acquires the Company's securities in a transaction or series of related transactions the primary purpose of which is to obtain financing for the Company through the issuance of equity securities or (C) solely because the level of Ownership held by any Exchange Act Person (the "***Subject Person***") exceeds the designated percentage threshold of the outstanding voting securities as a result of a repurchase or other acquisition of voting securities by the Company reducing the number of shares outstanding, provided that if a Change in Control would occur (but for the operation of this sentence) as a result of the acquisition of voting securities by the Company, and after such share acquisition, the Subject Person becomes the Owner of any additional voting securities that, assuming the repurchase or other acquisition had not occurred, increases the percentage of the then outstanding voting securities Owned by the Subject Person over the designated percentage threshold, then a Change in Control will be deemed to occur;

(ii) there is consummated a merger, consolidation or similar transaction involving (directly or indirectly) the Company and, immediately after the consummation of such merger, consolidation or similar transaction, the stockholders of the Company immediately prior thereto do not Own, directly or indirectly, either (A) outstanding voting securities representing more than 50% of the combined outstanding voting power of the surviving Entity in such merger, consolidation or similar transaction or (B) more than 50% of the combined outstanding voting power of the parent of the surviving Entity in such merger, consolidation or similar transaction, in each case in substantially the same

proportions as their Ownership of the outstanding voting securities of the Company immediately prior to such transaction; or

(iii) there is consummated a sale, lease, exclusive license or other disposition of all or substantially all of the consolidated assets of the Company and its Subsidiaries, other than a sale, lease, license or other disposition of all or substantially all of the consolidated assets of the Company and its Subsidiaries to an Entity, more than 50% of the combined voting power of the voting securities of which are Owned by stockholders of the Company in substantially the same proportions as their Ownership of the outstanding voting securities of the Company immediately prior to such sale, lease, license or other disposition.

Notwithstanding the foregoing definition or any other provision of this Plan, (A) the term Change in Control will not include (i) a sale of assets, merger or other transaction effected exclusively for the purpose of changing the domicile of the Company or (ii) 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, and (B) the definition of Change in Control (or any analogous term) in an individual written agreement between the Company or any Affiliate and the Participant will supersede the foregoing definition with respect to Stock Awards subject to such agreement; *provided*, *however*, that if no definition of Change in Control or any analogous term is set forth in such an individual written agreement, the foregoing definition will apply.

(f) "***Code***" means the Internal Revenue Code of 1986, as amended, including any applicable regulations and guidance thereunder.

(g) "***Committee***" means a committee of one or more Directors to whom authority has been delegated by the Board in accordance with Section 2(c).

(h) "***Common Stock***" means the Class A Voting Common Stock of the Company.

(i) "***Company***" means Liquidia Technologies, Inc., a Delaware corporation.

(j) "***Consultant***" means any person, including an advisor, who is (i) engaged by the Company or an Affiliate to render consulting or advisory services and is compensated for such services, or (ii) serving as a member of the board of directors of an Affiliate and is compensated for such services. However, service solely as a Director, or payment of a fee for such service, will not cause a Director to be considered a "Consultant" for purposes of the Plan.

(k) "***Continuous Service***" means that the Participant's service with the Company or an Affiliate, whether as an Employee, Director or Consultant, is not interrupted or terminated. A change in the capacity in which the Participant renders service to the Company or an Affiliate as an Employee, Director or Consultant or a change in the Entity for which the Participant renders such service, provided that there is no interruption or termination of the Participant's service with the Company or an Affiliate, will not terminate a Participant's Continuous Service; *provided*, *however*, that if the Entity for which a Participant is rendering services ceases to qualify as an Affiliate, as determined by the Board in its sole discretion, such Participant's Continuous Service will be considered to have terminated on the date such Entity ceases to qualify as an Affiliate. For example, a change in status from an Employee of the Company to a Consultant of an Affiliate or to a Director will not constitute an interruption of Continuous Service. To the extent permitted by law, the Board or the chief executive officer of the Company, in that party's sole discretion, may determine whether Continuous Service will be considered interrupted in the

case of (i) any leave of absence approved by the Board or chief executive officer, including sick leave, military leave or any other personal leave, or (ii) transfers between the Company, an Affiliate, or their successors. Notwithstanding the foregoing, a leave of absence will be treated as Continuous Service for purposes of vesting in a Stock Award only to such extent as may be provided in the Company's leave of absence policy, in the written terms of any leave of absence agreement or policy applicable to the Participant, or as otherwise required by law.

(l) "***Corporate Transaction***" means the consummation, in a single transaction or in a series of related transactions, of any one or more of the following events:

(i) a sale or other disposition of all or substantially all, as determined by the Board in its sole discretion, of the consolidated assets of the Company and its Subsidiaries;

(ii) a sale or other disposition of at least 50% of the outstanding securities of the Company;

(iii) a merger, consolidation or similar transaction following which the Company is not the surviving corporation; or

(iv) a merger, consolidation or similar transaction following which the Company is the surviving corporation but the shares of Common Stock outstanding immediately preceding the merger, consolidation or similar transaction are converted or exchanged by virtue of the merger, consolidation or similar transaction into other property, whether in the form of securities, cash or otherwise.

(m) "***Director***" means a member of the Board.

(n) "***Disability***" means, with respect to a Participant, the inability of such Participant to engage in any substantial gainful activity by reason of any medically determinable physical or mental impairment that can be expected to result in death or that has lasted or can be expected to last for a continuous period of not less than twelve (12) months as provided in Sections 22(e)(3) and 409A(a)(2)(c)(i) of the Code, and will be determined by the Board on the basis of such medical evidence as the Board deems warranted under the circumstances.

(o) "***Effective Date***" means the effective date of this Plan, which is the earlier of (i) the date that this Plan is first approved by the Company's stockholders, and (ii) the date this Plan is adopted by the Board.

(p) "***Employee***" means any person employed by the Company or an Affiliate. However, service solely as a Director, or payment of a fee for such services, will not cause a Director to be considered an "Employee" for purposes of the Plan.

(q) "***Entity***" means a corporation, partnership, limited liability company or other entity.

(r) "***Exchange Act***" means the Securities Exchange Act of 1934, as amended, and the rules and regulations promulgated thereunder.

(s) "***Exchange Act Person***" means any natural person, Entity or "group" (within the meaning of Section 13(d) or 14(d) of the Exchange Act), except that "Exchange Act Person" will not include (i) the Company or any Subsidiary of the Company, (ii) any employee benefit plan of the

Company or any Subsidiary of the Company or any trustee or other fiduciary holding securities under an employee benefit plan of the Company or any Subsidiary of the Company, (iii) an underwriter temporarily holding securities pursuant to a registered public offering of such securities, (iv) an Entity Owned, directly or indirectly, by the stockholders of the Company in substantially the same proportions as their Ownership of stock of the Company; or (v) any natural person, Entity or "group" (within the meaning of Section 13(d) or 14(d) of the Exchange Act) that, as of the Effective Date, is the Owner, directly or indirectly, of securities of the Company representing more than 50% of the combined voting power of the Company's then outstanding securities.

(t) "***Fair Market Value***" means, as of any date, the value of the Common Stock determined by the Board in compliance with Section 409A of the Code or, in the case of an Incentive Stock Option, in compliance with Section 422 of the Code.

(u) "***Incentive Stock Option***" means an option granted pursuant to Section 5 of the Plan that is intended to be, and that qualifies as, an "incentive stock option" within the meaning of Section 422 of the Code.

(v) "***Nonstatutory Stock Option***" means an option granted pursuant to Section 5 of the Plan that does not qualify as an Incentive Stock Option.

(w) "***Officer***" means any person designated by the Company as an officer.

(x) "***Option***" means an Incentive Stock Option or a Nonstatutory Stock Option to purchase shares of Common Stock granted pursuant to the Plan.

(y) "***Option Agreement***" means a written agreement between the Company and an Optionholder evidencing the terms and conditions of an Option grant. Each Option Agreement will be subject to the terms and conditions of the Plan.

(z) "***Optionholder***" means a person to whom an Option is granted pursuant to the Plan or, if applicable, such other person who holds an outstanding Option.

(aa) "***Other Stock Award***" means an award based in whole or in part by reference to the Common Stock which is granted pursuant to the terms and conditions of Section 6(c).

(bb) "***Other Stock Award Agreement***" means a written agreement between the Company and a holder of an Other Stock Award evidencing the terms and conditions of an Other Stock Award grant. Each Other Stock Award Agreement will be subject to the terms and conditions of the Plan.

(cc) "***Own***," "***Owned***," "***Owner***," "***Ownership***" A person or Entity will be deemed to "Own," to have "Owned," to be the "Owner" of, or to have acquired "Ownership" of securities if such person or Entity, directly or indirectly, through any contract, arrangement, understanding, relationship or otherwise, has or shares voting power, which includes the power to vote or to direct the voting, with respect to such securities.

(dd) "***Participant***" means a person to whom a Stock Award is granted pursuant to the Plan or, if applicable, such other person who holds an outstanding Stock Award.

(ee) "***Plan***" means this 2016 Equity Incentive Plan.

(ff) "***Restricted Stock Award***" means an award of shares of Common Stock which is granted pursuant to the terms and conditions of Section 6(a).

(gg) "***Restricted Stock Award Agreement***" means a written agreement between the Company and a holder of a Restricted Stock Award evidencing the terms and conditions of a Restricted Stock Award grant. Each Restricted Stock Award Agreement will be subject to the terms and conditions of the Plan.

(hh) "***Restricted Stock Unit Award***" means a right to receive shares of Common Stock which is granted pursuant to the terms and conditions of Section 6(b).

(ii) "***Restricted Stock Unit Award Agreement***" means a written agreement between the Company and a holder of a Restricted Stock Unit Award evidencing the terms and conditions of a Restricted Stock Unit Award grant. Each Restricted Stock Unit Award Agreement will be subject to the terms and conditions of the Plan.

(jj) "***Rule 405***" means Rule 405 promulgated under the Securities Act.

(kk) "***Rule 701***" means Rule 701 promulgated under the Securities Act.

(ll) "***Securities Act***" means the Securities Act of 1933, as amended.

(mm) "***Stock Appreciation Right***" or "***SAR***" means a right to receive the appreciation on Common Stock that is granted pursuant to the terms and conditions of Section 5.

(nn) "***Stock Appreciation Right Agreement***" means a written agreement between the Company and a holder of a Stock Appreciation Right evidencing the terms and conditions of a Stock Appreciation Right grant. Each Stock Appreciation Right Agreement will be subject to the terms and conditions of the Plan.

(oo) "***Stock Award***" means any right to receive Common Stock granted under the Plan, including an Incentive Stock Option, a Nonstatutory Stock Option, a Restricted Stock Award, a Restricted Stock Unit Award, a Stock Appreciation Right or any Other Stock Award.

(pp) "***Stock Award Agreement***" means a written agreement between the Company and a Participant evidencing the terms and conditions of a Stock Award grant. Each Stock Award Agreement will be subject to the terms and conditions of the Plan.

(qq) "***Subsidiary***" means, with respect to the Company, (i) any corporation of which more than 50% of the outstanding capital stock having ordinary voting power to elect a majority of the board of directors of such corporation (irrespective of whether, at the time, stock of any other class or classes of such corporation will have or might have voting power by reason of the happening of any contingency) is at the time, directly or indirectly, Owned by the Company, and (ii) any partnership, limited liability company or other entity in which the Company has a direct or indirect interest (whether in the form of voting or participation in profits or capital contribution) of more than 50%.

(rr) "***Ten Percent Stockholder***" means a person who Owns (or is deemed to Own pursuant to Section 424(d) of the Code) stock possessing more than 10% of the total combined voting power of all classes of stock of the Company or any Affiliate.

LIQUIDIA TECHNOLOGIES, INC.
AMENDMENT NO.1 TO 2016 EQUITY INCENTIVE PLAN

December 8, 2016

WHEREAS, Liquidia Technologies, Inc. (the "**Company**") is the sponsor of the Liquidia Technologies, Inc. 2016 Equity Incentive Plan (the "**Plan**"); and

WHEREAS, the Company desires to amend the Plan to provide for a more flexible "net exercise" arrangement as a method to exercise stock options;

NOW, THEREFORE, effective as of December 7, 2016, the Plan is hereby amended as follows:

1. Section 5(c)(iv) of the Plan is hereby deleted in its entirety and replaced with the following:

"subject to such limits and approvals as the Board may impose from time to time, by a "net exercise" arrangement pursuant to which the Company will reduce the number of shares of Common Stock issuable upon exercise by the largest whole number of shares with a Fair Market Value that does not exceed the aggregate exercise price; *provided*, *however*, that the Company will accept a cash or other payment from the Participant to the extent there remains any balance of the aggregate exercise price not satisfied by such reduction in the number of whole shares to be issued. Shares of Common Stock will no longer be subject to an Option and will not be exercisable thereafter to the extent that (A) shares issuable upon exercise are used to pay the exercise price pursuant to the "net exercise," (B) shares are delivered to the Participant as a result of such exercise, and (C) shares are withheld to satisfy tax withholding obligations."

2. Except as set forth in this Amendment, the Plan shall be unaffected hereby and shall remain in full force and effect.

[*Signature Page Immediately Follows*]

IN WITNESS WHEREOF, the undersigned has caused this Amendment to be executed as of the date first set forth above.

LIQUIDIA TECHNOLOGIES, INC.

By: /s/ Timothy Albury
Name: Timothy Albury
Title: Chief Financial Officer

[SIGNATURE PAGE TO 2016 EQUITY INCENTIVE PLAN AMENDMENT NO. 1]

LIQUIDIA TECHNOLOGIES, INC.
AMENDMENT NO.2 TO 2016 EQUITY INCENTIVE PLAN

February 2, 2018

WHEREAS, Liquidia Technologies, Inc. (the "**Company**") is the sponsor of the Liquidia Technologies, Inc. 2016 Equity Incentive Plan (as amended, the "**Plan**"); and

WHEREAS, the Company desires to amend the Plan to increase the number of shares of Common Stock available for issuance under the Plan; and

WHEREAS, Section 2(b)(vi) of the Plan permits the Board to amend the Plan in whole or in part at any time; provided, however, that any Plan amendment that materially increases the number of shares of Common Stock available for issuance under the Plan is made subject to shareholder approval of such amendment;

NOW, THEREFORE, effective as of February 2, 2018, the Plan is hereby amended as follows:

1. Section 3(a)(i) of the Plan is deleted and replaced with the following:

   Subject to Section 9(a) relating to Capitalization Adjustments, the aggregate number of shares of Common Stock that may be issued pursuant to Stock Awards shall not exceed 22,811,308 shares (the "***Share Reserve***").

2. Except as set forth in this Amendment, the Plan shall be unaffected hereby and shall remain in full force and effect.

[*Signature Page Immediately Follows*]

IN WITNESS WHEREOF, the undersigned has caused this Amendment to be executed as of the date first set forth above.

LIQUIDIA TECHNOLOGIES, INC.

By: /s/ Neal F. Fowler
Name: Neal F. Fowler
Title: Chief Executive Officer

[SIGNATURE PAGE TO 2016 EQUITY INCENTIVE PLAN AMENDMENT NO. 2]

LIQUIDIA TECHNOLOGIES, INC.
RESTRICTED STOCK UNIT GRANT NOTICE
(2016 EQUITY INCENTIVE PLAN)

Liquidia Technologies, Inc. (the ***"Company"***) hereby awards to Participant a Restricted Stock Unit Award for the number of shares of the Company's Common Stock set forth below (the ***"Award"***). The Award is subject to all of the terms and conditions as set forth herein and in the Company's 2016 Equity Incentive Plan, as amended (the ***"Plan"***), and the Restricted Stock Unit Agreement (the "***Award Agreement***"), both of which are attached hereto and incorporated herein in their entirety. Capitalized terms not explicitly defined herein but defined in the Plan or the Award Agreement will have the meanings set forth in the Plan or the Award Agreement. Except as explicitly provided herein or in the Award Agreement, in the event of any conflict between the terms in the Award and the Plan, the terms of the Plan will control.

Participant:	_____
Date of Grant:	_____
Vesting Commencement Date:	_____
Number of restricted stock units ("***RSUs***"):	_____
Consideration:	Participant's Services

Vesting Schedule: Participant will receive a benefit with respect to the RSUs only if the RSUs vest. The time and service-based requirement (the "***Service-Based Requirement***") must be satisfied in order for a RSU to vest.

Service-Based Requirement: The Service-Based Requirement will be satisfied in installments as to the RSUs as follows: [ ]% of the total number of RSUs awarded will satisfy the Service-Based Requirement on the first anniversary of the Vesting Commencement Date and the remaining [ ]% of RSUs awarded will satisfy the Service-Based Requirement in equal monthly installments of [ ]% through the [ ] anniversary of the Vesting Commencement Date, subject to the Participant's Continuous Service on each such date, such that if the Participant's Continuous Service remains uninterrupted through the fourth anniversary of the Vesting Commencement Date, all of the RSUs awarded under this Award will have satisfied the Service-Based Requirement. For purposes of calculating the number of shares which have satisfied the Service-Based Requirement for any particular period, such number shall be equal to the total number of RSUs granted under this Award which have satisfied the Service-Based Requirement as of the end of such particular period less the number of RSU's granted under this Award which had previously satisfied the Service-Based Requirements as of the start of such particular period (rounding down to the nearest whole RSU).

Settlement: If an RSU vests as provided for above, then the Company will deliver one share of Common Stock (or its cash equivalent, at the discretion of the Company) for each Vested RSU. The shares will be issued in accordance with the issuance schedule set forth in Section 6 of the Award Agreement.

Additional Terms/Acknowledgements: The undersigned Participant acknowledges receipt of, and understands and agrees to, this Restricted Stock Unit Grant Notice, the Award Agreement and the Plan. Participant further acknowledges that as of the Date of Grant, this Restricted Stock Unit Grant Notice, the Award Agreement and the Plan set forth the entire understanding between Participant and the Company regarding the Award and supersedes all prior oral and written agreements, promises and/or representations on that subject, with the exception of (i) restricted stock units or other stock awards previously granted and delivered to Participant, (ii) any compensation recovery policy that is adopted by the Company or is otherwise required by applicable law and (iii) any written employment or severance arrangement that would provide for vesting acceleration of this Award upon the terms and conditions set forth therein.

Notices may be delivered to the Participant by electronic transmission by email and in such instance, such notices shall be sent to the electronic mail address set forth below the Participant's signature or to such other electronic mail address as shall be designated by the Participant in a written notice sent to the Company.

This consent applies to any and all notices required to be given to the Participant for any purposes relating to this Award, Participant's RSU or any Common Stock issuable upon vesting of the RSU.

[signature page follows]

By accepting this Award, the undersigned Participant acknowledges having received and read this Restricted Stock Unit Grant Notice, the Award Agreement and the Plan and agrees to all of the terms and conditions set forth in these documents. Participant consents to receive such documents by electronic delivery and to participate in the Plan through an on-line or electronic system established and maintained by the Company or another third party designated by the Company.

LIQUIDIA TECHNOLOGIES, INC.	**PARTICIPANT:**
By: _____	_____
Signature	Signature
Title: _____	Date: _____
Date: _____	Designated Email Address:

ATTACHMENTS: Restricted Stock Unit Agreement, 2016 Equity Incentive Plan

---

LIQUIDIA TECHNOLOGIES, INC.
2016 EQUITY INCENTIVE PLAN

RESTRICTED STOCK UNIT AGREEMENT

Pursuant to the Restricted Stock Unit Grant Notice (the "***Grant Notice***") and this Restricted Stock Unit Agreement (the "***Agreement***") and in consideration of your services, Liquidia Technologies, Inc. (the "***Company***") has awarded you a Restricted Stock Unit Award (the "***Award***") under its 2016 Equity Incentive Plan (the "***Plan***") for the number of restricted stock units set forth on the Grant Notice. Capitalized terms not explicitly defined in this Agreement will have the same meanings given to them in the Plan or the Grant Notice, as applicable. Except as otherwise explicitly provided herein, in the event of any conflict between the terms in this Agreement and the Plan, the terms of the Plan will control.

The details of your Award, in addition to those set forth in the Grant Notice and the Plan, are as follows.

1. GRANT OF THE AWARD. This Award represents your right to be issued on a future date (as described below) the number of shares of Common Stock that is equal to the number of restricted stock units indicated in the Grant Notice (the "***RSUs***"). As of the Date of Grant, the Company will credit to a bookkeeping account maintained by the Company for your benefit (the "***Account***") the number of RSUs subject to the Award. This Award was granted in consideration of your services to the Company. Except as otherwise provided herein, you will not be required to make any payment to the Company (other than past and future services to the Company) with respect to your receipt of the Award, the vesting of the RSUs or the delivery of the Common Stock to be issued in respect of the Award. Notwithstanding the foregoing, the Company reserves the right to issue you the cash equivalent of Common Stock, in part or in full satisfaction of the delivery of Common Stock upon vesting of your RSUs, and, to the extent applicable, references in this Agreement and the Grant Notice to Common Stock issuable in connection with your RSUs will include the potential issuance of its cash equivalent pursuant to such right.

2. VESTING. Subject to the limitations contained herein, your Award will vest, if at all, in accordance with the vesting schedule provided in the Grant Notice.

3. NUMBER OF RSUS AND SHARES OF COMMON STOCK.

(a) The number of RSUs subject to your Award may be adjusted from time to time for Capitalization Adjustments, as provided in the Plan.

(b) Any additional RSUs, shares, cash or other property that become subject to the Award pursuant to this Section 3, if any, will be subject, in a manner determined by the Board, to the same forfeiture restrictions, restrictions on transferability, and time and manner of delivery as applicable to the other RSUs covered by your Award.

(c) Notwithstanding the provisions of this Section 3, no fractional shares or rights for fractional shares of Common Stock will be created pursuant to this Section 3. The Board will, in its discretion, determine an equivalent benefit for any fractional shares or fractional shares that might be created by the adjustments referred to in this Section 3.

4. SECURITIES LAW COMPLIANCE. You may not be issued any shares of Common Stock in respect of your Award unless either (i) the shares are registered under the Securities Act; or (ii) the Company has determined that such issuance would be exempt from the registration requirements of the Securities Act. Your Award also must comply with other applicable laws and regulations governing the Award, and you will not receive such shares if the Company determines that such receipt would not be in material compliance with such laws and regulations. To the extent the Company is unable to issue shares of Common Stock pursuant to this Section 4, the Company may issue you the cash equivalent of such Common Stock as provided in Section 6(a).

5. TRANSFER RESTRICTIONS. Your Award is not transferable, except by will or by the laws of descent and distribution. In addition to any other limitation on transfer created by applicable securities laws, you agree not to assign, hypothecate, donate, encumber or otherwise dispose of any interest in any of the shares of Common Stock subject to the Award until the shares are issued to you in accordance with Section 6 of this Agreement. After the shares have been issued to you, you cannot assign, hypothecate, donate, encumber or otherwise dispose of any interest in such shares except in compliance with the Company's Bylaws or any other agreement required to be entered into by you and provided that any such actions are in compliance with the provisions herein, any applicable Company policies (including, but not limited to, insider trading and window period policies) and applicable securities laws. Notwithstanding the foregoing, by delivering written notice to the Company, in a form satisfactory to the Company, you may designate a third party who, in the event of your death, will thereafter be entitled to receive any distribution of Common Stock to which you were entitled at the time of your death pursuant to this Agreement.

6. DATE OF ISSUANCE.

(a) Subject to the satisfaction of the Withholding Taxes set forth in Section 10 of this Agreement, the Company will deliver to you a number of shares of Common Stock equal to the number of vested RSUs subject to your Award, including any additional RSUs received pursuant to Section 3 above that relate to those vested RSUs, on the applicable vesting date. However, if a scheduled delivery date falls on a date that is not a business day, such delivery date will instead fall on the next following business day. Notwithstanding the foregoing, to the extent applicable at a vesting date when shares are registered under the Securities Act, in the event that (i) any shares covered by your Award are scheduled to be delivered on a day (the "***Original Distribution Date***") that does not occur: (A) during an open "window period" applicable to you under the Company's policy permitting officers, directors and other designated individuals to sell shares only during certain "window" periods, in effect from time to time (the "***Policy***"), (B) on a day on which you are permitted to sell shares of Common Stock pursuant to a written plan that meets the requirements of Rule 10b5-1 under the Exchange Act, as determined by the Company in accordance with the Policy, or (C) on a date when you are otherwise permitted to sell shares of Common Stock on the open market, and (ii) the Company elects not to satisfy its obligations for

Tax-Related Items (as defined in Section 10) by withholding shares from your distribution or withholding from other compensation otherwise payable to you by the Company, then such shares will not be delivered on such Original Distribution Date and will instead be delivered on the first business day of the next occurring open "window period" applicable to you pursuant to such Policy (regardless of whether you are still providing Continuous Service at such time) or the next business day when you are not prohibited from selling shares of Common Stock in the open market, but in no event later than the later of (i) the fifteenth (15th) day of the third month following the end of the calendar year in which the applicable shares covered by the Award vest or (ii) the fifteenth (15th) day of the third month following the end of the Company's taxable year in which the applicable shares covered by the Award vest (the "***Issuance Deadline***"). Delivery of the shares pursuant to the provisions of this Section 6(a) is intended to comply with the requirements for the short-term deferral exemption available under Treasury Regulations Section 1.409A-1(b)(4) and will be construed and administered in such manner. The form of such delivery of the shares (e.g., a stock certificate or electronic entry evidencing such shares) will be determined by the Company.

(b) If the Company elects to issue you cash in part or in full satisfaction of the shares of Common Stock issuable upon vesting of your RSUs, then the foregoing provisions of this Section 6(a) will not apply and such cash will be paid to you in a lump sum at any time on or after the vesting date of your RSUs, but in no event later than the Issuance Deadline.

7. DIVIDENDS. You will receive no benefit or adjustment to your Award with respect to any cash dividend, stock dividend or other distribution that does not result from a Capitalization Adjustment as provided in the Plan; provided, however, that this sentence will not apply with respect to any shares of Common Stock that are delivered to you in connection with your Award after such shares have been delivered to you.

8. RESTRICTIVE LEGENDS. The shares issued in respect of your Award will be endorsed with appropriate legends determined by the Company.

9. AWARD NOT AN EMPLOYMENT OR SERVICE CONTRACT.

(a) Your Continuous Service with the Company or an Affiliate is not for any specified term and may be terminated by you or by the Company or an Affiliate at any time, for any reason, with or without cause and with or without notice. Nothing in this Agreement (including, but not limited to, the vesting of your Award pursuant to the schedule set forth in the Grant Notice herein or the issuance of the shares in respect of your Award), the Plan or any covenant of good faith and fair dealing that may be found implicit in this Agreement or the Plan will: (i) confer upon you any right to continue in the employ of, or affiliation with, the Company or an Affiliate; (ii) constitute any promise or commitment by the Company or an Affiliate regarding the fact or nature of future positions, future work assignments, future compensation or any other term or condition of employment or affiliation; (iii) confer any right or benefit under this Agreement or the Plan unless such right or benefit has specifically accrued under the terms of this Agreement or Plan; or (iv) deprive the Company or an Affiliate of the right to terminate you at will and without regard to any future vesting opportunity that you may have.

(b) By accepting this Award, you acknowledge and agree that the right to continue vesting in the Award pursuant to the vesting schedule set forth in Section 2 and in the Grant Notice is earned only by continuing as an employee, director or consultant at the will of the Company or an Affiliate (not through the act of being hired, being granted this Award or any other award or benefit) and that the Company has the right to reorganize, sell, spin-out or otherwise restructure one or more of its businesses or Affiliates at any time or from time to time, as it deems appropriate (a "reorganization"). You further acknowledge and agree that such a reorganization could result in the termination of your Continuous Service, or the termination of Affiliate status of your employer and the loss of benefits available to you under this Agreement, including but not limited to, the termination of the right to continue vesting in the Award. You further acknowledge and agree that this Agreement, the Plan, the transactions contemplated hereunder and the vesting schedule set forth in the Grant Notice or any covenant of good faith and fair dealing that may be found implicit in any of them do not constitute an express or implied promise of continued engagement as an employee or consultant with the Company or an Affiliate for the term of this Agreement, for any period, or at all, and will not interfere in any way with your right or the right of the Company or an Affiliate to terminate your Continuous Service at any time, with or without cause and with or without notice.

(c) Your Award is made at the discretion of the Company and the Plan may be suspended or terminated by the Company at any time. The grant of an Award in one year or at one time does not in any way entitle you to an Award in the future. The Plan is wholly discretionary and is not to be considered part of your normal or expected compensation subject to severance, resignation, redundancy or similar compensation. The value of your Award is an extraordinary item of compensation which is outside the scope of your service contract (if any).

10. RESPONSIBILITY FOR TAXES.

(a) On or before the time you receive a distribution of the shares of Common Stock underlying the RSUs or a cash payment, or at any time thereafter as requested by the Company, you hereby authorize any required withholding from the Common Stock issuable to you or the cash payment and/or otherwise agrees to make adequate provision in cash for any sums required to satisfy the federal, state, local and foreign tax withholding obligations of the Company or any Affiliate that arise in connection with the Award (the "***Withholding Taxes***"). Subject to Section 10(d) of this Agreement, if applicable, and notwithstanding any other provision of this Section, the Company may, in its sole discretion, satisfy all or any portion of the Withholding Taxes obligation relating to the Award by any of the following means or by a combination of such means: (i) withholding from any compensation otherwise payable to you by the Company; (ii) causing you to tender a cash payment; (iii) withholding shares of Common Stock from the shares of Common Stock issued or otherwise issuable to you in connection with the RSUs with a Fair Market Value (measured as of the date shares of Common Stock are issued pursuant to Section 6) equal to the amount of such Withholding Taxes; *provided, however*, that the number of such shares of Common Stock so withheld shall not exceed the amount necessary to satisfy the Company's required tax withholding obligations using the minimum statutory withholding rates for federal, state, local and foreign tax purposes, including payroll taxes, that are applicable to supplemental taxable income (or such greater amount permitted under FASB Accounting Standards Codification Topic 718, Compensation —Stock Compensation, for equity-classified awards); or (iv) withholding cash from the Award settled in cash.

(b) Unless the tax withholding obligations of the Company and/or any Affiliate are satisfied, the Company shall have no obligation to deliver to you any Common Stock or make a cash payment.

(c) In the event the Company's obligation to withhold arises prior to the delivery to you of Common Stock or the cash payment or it is determined after the delivery of Common Stock or the cash payment to you that the amount of the Company's withholding obligation was greater than the amount withheld by the Company, you agree to indemnify and hold the Company harmless from any failure by the Company to withhold the proper amount.

(d) If specified in the Grant Notice, you may direct the Company to withhold shares of Common Stock with a Fair Market Value (measured as of the date shares of Common Stock are issued pursuant to Section 6) equal to the amount of such Withholding Taxes; *provided, however*, that the number of such shares of Common Stock so withheld shall not exceed the amount necessary to satisfy the Company's required tax withholding obligations using the minimum statutory withholding rates for federal, state, local and foreign tax purposes, including payroll taxes, that are applicable to supplemental taxable income.

11. TRANSFER RESTRICTIONS. In addition to any other limitation on transfer created by applicable laws and the restrictions in Section 10, as applicable, you will not sell, assign, hypothecate, donate, encumber or otherwise dispose of all or any part of the shares subject to your Award or any interest in such shares except in compliance with this Agreement (including without limitation Sections 8 and 13), the Company's bylaws and applicable securities laws.

12. DATA TRANSFER. You explicitly and unambiguously consent to the collection, use and transfer, in electronic or other form, of your personal data as described in this document by and among, as applicable, your employer, and the Company and its Affiliates for the exclusive purpose of implementing, administering and managing your participation in the Plan. You understand that the Company, its Affiliates and your employer hold certain personal information about you, including, but not limited to, name, home address and telephone number, date of birth, social security number (or other identification number), salary, nationality, job title, any shares of stock or directorships held in the Company, details of all options or any other entitlement to shares of stock awarded, canceled, purchased, exercised, vested, unvested or outstanding in your favor for the purpose of implementing, managing and administering the Plan ("***Data***"). You understand that the Data may be transferred to any third parties assisting in the implementation, administration and management of the Plan, that these recipients may be located in your country or elsewhere and that the recipient country may have different data privacy laws and protections than your country. You may request a list with the names and addresses of any potential recipients of the Data by contacting the Stock Plan Administrator at the Company (the "***Stock Plan Administrator***"). You authorize the recipients to receive, possess, use, retain and transfer the Data, in electronic or other form, for the purposes of implementing, administering and managing your participation in the Plan, including any requisite transfer of such Data, as may be required to a broker or other third party with whom you may elect to deposit any shares of Common Stock acquired upon the vesting of the Award. You understand that Data will be held only as long as is necessary to implement, administer and manage participation in the Plan. You may, at any time, view Data, request additional information about the storage and processing of the Data, require any necessary amendments

to the Data or refuse or withdraw the consents herein, in any case without cost, by contacting the Stock Plan Administrator in writing. You understand that refusing or withdrawing consent may affect your ability to participate in the Plan. For more information on the consequences of refusing to consent or withdrawing consent, you may contact the Stock Plan Administrator.

13. UNSECURED OBLIGATION. Your Award is unfunded, and as a holder of a vested Award, you will be considered an unsecured creditor of the Company with respect to the Company's obligation, if any, to issue shares pursuant to this Agreement. You will not have voting or any other rights as a stockholder of the Company with respect to the shares to be issued pursuant to this Agreement until such shares are issued to you pursuant to Section 6 of this Agreement. Upon such issuance, you will obtain full voting and other rights as a stockholder of the Company. Nothing contained in this Agreement, and no action taken pursuant to its provisions, will create or be construed to create a trust of any kind or a fiduciary relationship between you and the Company or any other person.

14. NOTICES. Any notices provided for in your Award or the Plan will be given in writing (including electronically) and will be deemed effectively given upon receipt or, in the case of notices delivered by the Company to you, five (5) days after deposit in the United States mail, postage prepaid, addressed to you at the last address you provided to the Company. Notwithstanding the foregoing, the Company may, in its sole discretion, decide to deliver any documents related to participation in the Plan and this Award by electronic means or to request your consent to participate in the Plan by electronic means. By accepting this Award you consent to receive such documents by electronic delivery and, if requested, to agree to participate in the Plan through an on-line or electronic system established and maintained by the Company or another third party designated by the Company.

15. LANGUAGE. If you have received this Agreement, or any other document related to this Award and/or the Plan translated into a language other than English and if the meaning of the translated version is different than the English version, the English version will control.

16. INSIDER TRADING RESTRICTIONS/MARKET ABUSE LAWS. You acknowledge that, depending on your country, you may be subject to insider trading restrictions and/or market abuse laws, which may affect your ability to acquire or sell the shares of Common Stock or rights to the shares of Common Stock under the Plan during such times as you are considered to have "inside information" regarding the Company (as defined by the laws in your country or any country in which the Company's shares of Common Stock are registered or listed). Any restrictions under these laws or regulations are separate from and in addition to any restrictions that may be imposed under any applicable Company insider trading policy. You acknowledge that it is your responsibility to comply with any applicable restrictions, and you are advised to speak to your personal advisor on this matter.

17. IMPOSITION OF OTHER REQUIREMENTS. The Company reserves the right to impose other requirements on your participation in the Plan, on any shares of Common Stock

acquired under the Plan, to the extent the Company determines it is necessary or advisable for legal administrative reasons, and to require you to sign any additional agreements or undertakings that may be necessary to accomplish the foregoing.

18. MISCELLANEOUS.

(a) The rights and obligations of the Company under your Award may be transferred to any one or more persons or entities, and all covenants and agreements hereunder will inure to the benefit of, and be enforceable by the Company's successors and assigns. Your rights and obligations under your Award may only be assigned with the prior written consent of the Company.

(b) You agree upon request to execute any further documents or instruments necessary or desirable in the sole determination of the Company to carry out the purposes or intent of your Award.

(c) You acknowledge and agree that you have reviewed your Award in its entirety, have had an opportunity to obtain the advice of counsel prior to executing and accepting your Award, and fully understand all provisions of your Award.

(d) This Agreement will be subject to all applicable laws, rules, and regulations, and to such approvals by any governmental agencies or national securities exchanges as may be required.

(e) All obligations of the Company under the Plan and this Agreement will be binding on any successor to the Company, whether the existence of such successor is the result of a direct or indirect purchase, merger, consolidation, or otherwise, of all or substantially all of the business and/or assets of the Company.

19. GOVERNING PLAN DOCUMENT. Your Award is subject to all the provisions of the Plan, the provisions of which are hereby made a part of your Award, and is further subject to all interpretations, amendments, rules and regulations which may from time to time be promulgated and adopted pursuant to the Plan. Except as expressly provided in this Agreement, in the event of any conflict between the provisions of your Award and those of the Plan, the provisions of the Plan will control. In addition, to the extent applicable, your Award (and any compensation paid or shares issued under your Award) is subject to recoupment in accordance with The Dodd—Frank Wall Street Reform and Consumer Protection Act and any implementing regulations thereunder, any clawback policy adopted by the Company and any compensation recovery policy otherwise required by applicable law.

20. SEVERABILITY. If all or any part of this Agreement or the Plan is declared by any court or governmental authority to be unlawful or invalid, such unlawfulness or invalidity will not invalidate any portion of this Agreement or the Plan not declared to be unlawful or invalid. Any Section of this Agreement (or part of such a Section) so declared to be unlawful or invalid will, if possible, be construed in a manner which will give effect to the terms of such Section or part of a Section to the fullest extent possible while remaining lawful and valid.

21. EFFECT ON OTHER EMPLOYEE BENEFIT PLANS. The value of the Award subject to this Agreement will not be included as compensation, earnings, salaries, or other similar terms used when calculating the Employee's benefits under any employee benefit plan sponsored by the Company or any Affiliate, except as such plan otherwise expressly provides. The Company expressly reserves its rights to amend, modify, or terminate any of the Company's or any Affiliate's employee benefit plans.

22. AMENDMENT. This Agreement may not be modified, amended or terminated except by an instrument in writing, signed by you and by a duly authorized representative of the Company. Notwithstanding the foregoing, this Agreement may be amended solely by the Board by a writing which specifically states that it is amending this Agreement, so long as a copy of such amendment is delivered to you, and provided that no such amendment adversely affecting your rights hereunder may be made without your written consent. Without limiting the foregoing, the Board reserves the right to change, by written notice to you, the provisions of this Agreement in any way it may deem necessary or advisable to carry out the purpose of the grant as a result of any change in applicable laws or regulations or any future law, regulation, ruling, or judicial decision, provided that any such change will be applicable only to rights relating to that portion of the Award which is then subject to restrictions as provided herein.

23. NO OBLIGATION TO MINIMIZE TAXES. The Company has no duty or obligation to minimize the tax consequences to you of this Award and will not be liable to you for any adverse tax consequences to you arising in connection with this Award. You are hereby advised to consult with your own personal tax, financial and/or legal advisors regarding the tax consequences of this Award and by signing the Grant Notice, you have agreed that you have done so or knowingly and voluntarily declined to do so.

24. COMPLIANCE WITH SECTION 409A OF THE CODE. This Award is intended to comply with the "short-term deferral" rule set forth in Treasury Regulation Section 1.409A-1(b)(4). Notwithstanding the foregoing, if it is determined that the Award fails to satisfy the requirements of the short-term deferral rule and is otherwise deferred compensation subject to Section 409A of the Code and any state law of similar effect (collectively, "***Section 409A"***), and if you are a "Specified Employee" (within the meaning set forth Section 409A(a)(2)(B)(i) of the Code) as of the date of your separation from service (within the meaning of Treasury Regulation Section 1.409A-1(h)), then the issuance of any shares that would otherwise be made upon the date of the separation from service or within the first six months thereafter will not be made on the originally scheduled date(s) and will instead be issued in a lump sum on the date that is six months and one day after the date of the separation from service, with the balance of the shares issued thereafter in accordance with the original vesting and issuance schedule set forth above, but if and only if such delay in the issuance of the shares is necessary to avoid the imposition of taxation on you in respect of the shares under Section 409A of the Code. Each installment of shares that vests is intended to constitute a "separate payment" for purposes of Treasury Regulation Section 1.409A-2(b)(2).

* * *

This Agreement will be deemed to be signed by you upon the signing by you of the Grant Notice to which it is attached.

LIQUIDIA TECHNOLOGIES, INC.

STOCK OPTION GRANT NOTICE
(2016 EQUITY INCENTIVE PLAN)

LIQUIDIA TECHNOLOGIES, INC. (the "***Company***"), pursuant to its 2016 Equity Incentive Plan, as amended (the "***Plan***"), hereby grants to Optionholder an option to purchase the number of shares of the Company's Common Stock set forth below. This option is subject to all of the terms and conditions as set forth in this notice, in the Option Agreement, the Plan and the Notice of Exercise, all of which are attached hereto and incorporated herein in their entirety. Capitalized terms not explicitly defined herein but defined in the Plan or the Option Agreement will have the same definitions as in the Plan or the Option Agreement. If there is any conflict between the terms in this notice and the Plan, the terms of the Plan will control.

Optionholder:	
Date of Grant:	
Vesting Commencement Date:	
Number of Shares Subject to Option:	
Exercise Price (Per Share):	$
Total Exercise Price:	$
Expiration Date:	

Type of Grant: o Incentive Stock Option o Nonstatutory Stock Option

Exercise Schedule: o Same as Vesting Schedule o Early Exercise Permitted

Vesting Schedule (for new hire):

Payment: By one or a combination of the following items (described in the Option Agreement):

- o By cash, check, bank draft or money order payable to the Company
- o Pursuant to a Regulation T Program if the shares are publicly traded
- o By delivery of already-owned shares if the shares are publicly traded
- o Subject to such limits as the Board may impose from time to time, by a "net exercise" arrangement

---

Additional Terms/Acknowledgements: Optionholder acknowledges receipt of, and understands and agrees to, this Stock Option Grant Notice, the Option Agreement and the Plan. Optionholder acknowledges and agrees that this Stock Option Grant Notice and the Option Agreement may not be modified, amended or revised except as provided in the Plan. Optionholder further acknowledges that as of the Date of Grant, this Stock Option Grant Notice, the Option Agreement, and the Plan set forth the entire understanding between Optionholder and the Company regarding this option award and supersede all prior oral and written agreements, promises and/or representations on that subject with the exception of (i) options previously granted and delivered to Optionholder, and (ii) the following agreements only.

OTHER AGREEMENTS:

By accepting this option, you consent to receive such documents by electronic delivery and to participate in the Plan through an on-line or electronic system established and maintained by the Company or another third party designated by the Company.

LIQUIDIA TECHNOLOGIES, INC.	**[NAME]**
By: _____ Signature	_____ Signature
Title: _____	Date: _____
Date: _____	

ATTACHMENTS: Option Agreement, 2016 Equity Incentive Plan, as amended, and Notice of Exercise

---

ATTACHMENT I

OPTION AGREEMENT

LIQUIDIA TECHNOLOGIES, INC.

2016 EQUITY INCENTIVE PLAN

OPTION AGREEMENT
(INCENTIVE STOCK OPTION OR NONSTATUTORY STOCK OPTION)

Pursuant to your Stock Option Grant Notice ("***Grant Notice***") and this Option Agreement, **LIQUIDIA TECHNOLOGIES, INC.** (the "***Company***") has granted you an option under its 2016 Equity Incentive Plan (the "***Plan***") to purchase the number of shares of the Company's Common Stock indicated in your Grant Notice at the exercise price indicated in your Grant Notice. The option is granted to you effective as of the date of grant set forth in the Grant Notice (the "***Date of Grant***"). If there is any conflict between the terms in this Option Agreement and the Plan, the terms of the Plan will control. Capitalized terms not explicitly defined in this Option Agreement or in the Grant Notice but defined in the Plan will have the same definitions as in the Plan.

The details of your option, in addition to those set forth in the Grant Notice and the Plan, are as follows:

1. VESTING. Your option will vest as provided in your Grant Notice. Vesting will cease upon the termination of your Continuous Service.

2. NUMBER OF SHARES AND EXERCISE PRICE. The number of shares of Common Stock subject to your option and your exercise price per share in your Grant Notice will be adjusted for Capitalization Adjustments.

3. EXERCISE RESTRICTION FOR NON-EXEMPT EMPLOYEES. If you are an Employee eligible for overtime compensation under the Fair Labor Standards Act of 1938, as amended (that is, a "***Non-Exempt Employee***"), and except as otherwise provided in the Plan, you may not exercise your option until you have completed at least six months of Continuous Service measured from the Date of Grant, even if you have already been an employee for more than six months. Consistent with the provisions of the Worker Economic Opportunity Act, you may exercise your option as to any vested portion

prior to such six month anniversary in the case of (i) your death or disability, (ii) a Corporate Transaction in which your option is not assumed, continued or substituted, (iii) a Change in Control or (iv) your termination of Continuous Service on your "retirement" (as defined in the Company's benefit plans).

4. EXERCISE PRIOR TO VESTING ("EARLY EXERCISE"). If permitted in your Grant Notice (*i.e.*, the "Exercise Schedule" indicates "Early Exercise Permitted") and subject to the provisions of your option, you may elect at any time that is both (i) during the period of your Continuous Service and (ii) during the term of your option, to exercise all or part of your option, including the unvested portion of your option; *provided, however,* that:

(a) a partial exercise of your option will be deemed to cover first vested shares of Common Stock and then the earliest vesting installment of unvested shares of Common Stock;

(b) any shares of Common Stock so purchased from installments that have not vested as of the date of exercise will be subject to the purchase option in favor of the Company as described in the Company's form of Early Exercise Stock Purchase Agreement;

(c) you will enter into the Company's form of Early Exercise Stock Purchase Agreement with a vesting schedule that will result in the same vesting as if no early exercise had occurred; and

(d) if your option is an Incentive Stock Option, then, to the extent that the aggregate Fair Market Value (determined at the Date of Grant) of the shares of Common Stock with respect to which your option plus all other Incentive Stock Options you hold are exercisable for the first time by you during any calendar year (under all plans of the Company and its Affiliates) exceeds $100,000, your option(s) or portions thereof that exceed such limit (according to the order in which they were granted) will be treated as Nonstatutory Stock Options.

5. METHOD OF PAYMENT. You must pay the full amount of the exercise price for the shares you wish to exercise. You may pay the exercise price in cash or by check, bank draft or money order payable to the Company or in any other manner ***permitted by your Grant Notice,*** which may include one or more of the following:

(a) Provided that at the time of exercise the Common Stock is publicly traded, pursuant to a program developed under Regulation T as promulgated by the Federal Reserve Board that, prior to the issuance of Common Stock, results in either the receipt of cash (or check) by the Company or the receipt of irrevocable instructions to pay the aggregate exercise price to the Company from the sales proceeds. This manner of payment is also known as a "broker-assisted exercise", "same day sale", or "sell to cover".

(b) Provided that at the time of exercise the Common Stock is publicly traded, by delivery to the Company (either by actual delivery or attestation) of already-owned shares of Common Stock that are owned free and clear of any liens, claims, encumbrances or security interests, and that are valued at Fair Market Value on the date of exercise. "Delivery" for these purposes, in the sole discretion of the Company at the time you exercise your option, will include delivery to the Company of your attestation of ownership of such shares of Common Stock in a form approved by the Company. You may not exercise your option by delivery to the Company of Common Stock if doing so would violate the provisions of any law, regulation or agreement restricting the redemption of the Company's stock.

(c) Subject to such limits as the Board may impose from time to time, by a "net exercise" arrangement pursuant to which the Company will reduce the number of shares of Common Stock issuable upon exercise by the largest whole number of shares with a Fair Market Value that does not exceed the aggregate exercise price. You must pay any remaining balance of the aggregate exercise price not satisfied by the "net exercise" in cash or other permitted form of payment. Shares of Common Stock will no longer be subject to an Option and will not be exercisable thereafter to the extent that (A) shares issuable upon exercise are used to pay the exercise price pursuant to the "net exercise," (B) shares are delivered to the Participant as a result of such exercise, and (C) shares are withheld to satisfy tax withholding obligations.

6. WHOLE SHARES. You may exercise your option only for whole shares of Common Stock.

7. SECURITIES LAW COMPLIANCE. In no event may you exercise your option unless the shares of Common Stock issuable upon exercise are then registered under the Securities Act or, if not registered, the Company has determined that your exercise and the issuance of the shares would be exempt from the registration requirements of the Securities Act. The exercise of your option also must comply with all other applicable laws and regulations governing your option, and you may not exercise your option if the Company determines that such exercise would not be in material compliance with such

laws and regulations (including any restrictions on exercise required for compliance with Treas. Reg. 1.401(k)-1(d)(3), if applicable).

8. TERM. You may not exercise your option before the Date of Grant or after the expiration of the option's term. The term of your option expires, subject to the provisions of Section 5(h) of the Plan, upon the earliest of the following:

(a) immediately upon the termination of your Continuous Service for Cause;

(b) three months after the termination of your Continuous Service for any reason other than Cause, your Disability or your death (except as otherwise provided in Section 8(d) below); *provided, however,* that if during any part of such three month period your option is not exercisable solely because of the condition set forth in the section above relating to "Securities Law Compliance," your option will not expire until the earlier of the Expiration Date or until it has been exercisable for an aggregate period of three months after the termination of your Continuous Service; *provided further,* that if (i) you are a Non-Exempt Employee, (ii) your Continuous Service terminates within six months after the Date of Grant, and (iii) you have vested in a portion of your option at the time of your termination of Continuous Service, your option will not expire until the earlier of (x) the later of (A) the date that is seven months after the Date of Grant, and (B) the date that is three months after the termination of your Continuous Service, and (y) the Expiration Date;

(c) 12 months after the termination of your Continuous Service due to your Disability (except as otherwise provided in Section 8(d)) below;

(d) 18 months after your death if you die either during your Continuous Service or within three (3) months after your Continuous Service terminates for any reason other than Cause;

(e) the Expiration Date indicated in your Grant Notice; or

(f) the day before the 10th anniversary of the Date of Grant.

If your option is an Incentive Stock Option, note that to obtain the federal income tax advantages associated with an Incentive Stock Option, the Code requires that at all times beginning on the Date of Grant and ending on the day three months before the date of your option's exercise, you must be an employee of the Company or an Affiliate, except in the event of your death or Disability. The Company has provided for extended exercisability of your option under certain circumstances for your benefit but cannot guarantee that your option will necessarily be treated as an Incentive Stock Option if you continue to provide services to the Company or an Affiliate as a Consultant or Director after your employment terminates or if you otherwise exercise your option more than three months after the date your employment with the Company or an Affiliate terminates.

9. EXERCISE.

(a) You may exercise the vested portion of your option (and the unvested portion of your option if your Grant Notice so permits) during its term by (i) delivering a Notice of Exercise (in a form designated by the Company) or completing such other documents and/or procedures designated by the Company for exercise and (ii) paying the exercise price and any applicable withholding taxes to the Company's Secretary, stock plan administrator, or such other person as the Company may designate, together with such additional documents as the Company may then require.

(b) By exercising your option you agree that, as a condition to any exercise of your option, the Company may require you to enter into an arrangement providing for the payment by you to the Company of any tax withholding obligation of the Company arising by reason of (i) the exercise of your option, (ii) the lapse of any substantial risk of forfeiture to which the shares of Common Stock are subject at the time of exercise, or (iii) the disposition of shares of Common Stock acquired upon such exercise.

(c) If your option is an Incentive Stock Option, by exercising your option you agree that you will notify the Company in writing within 15 days after the date of any disposition of any of the shares of the Common Stock issued upon exercise of your option that occurs within two years after the Date of Grant or within one year after such shares of Common Stock are transferred upon exercise of your option.

(d) By exercising your option you agree that you will not sell, dispose of, transfer, make any short sale of, grant any option for the purchase of, or enter into any hedging or similar transaction with the same economic effect as a sale with respect to any shares of Common Stock or other securities of the Company held by you, for a period of 180 days following the effective date of a registration statement of the Company filed under the Securities Act or such longer period as the underwriters or the Company will request to facilitate compliance with FINRA Rule 2711 or NYSE Member Rule 472 or any successor or similar rule or regulation (the "***Lock-Up Period***"); *provided*, *however*, that nothing contained in this section will prevent the exercise of a repurchase option, if any, in favor of the Company during the Lock-Up Period. You further agree to execute and deliver such other agreements as may be reasonably requested by the Company or the underwriters that are consistent with the foregoing or that are necessary to give further effect thereto. In order to enforce the foregoing covenant, the Company may impose stop-transfer instructions with respect to your shares of Common Stock until the end of such period. You also agree that any transferee of any shares of Common Stock (or other securities) of the Company held by you will be bound by this Section 9(d). The underwriters of the Company's stock are intended third party beneficiaries of this Section 9(d) and will have the right, power and authority to enforce the provisions hereof as though they were a party hereto.

10. TRANSFERABILITY. Except as otherwise provided in this Section 10, your option is not transferable, except by will or by the laws of descent and distribution, and is exercisable during your life only by you.

(a) **Certain Trusts**. Upon receiving written permission from the Board or its duly authorized designee, you may transfer your option to a trust if you are considered to be the sole beneficial owner (determined under Section 671 of the Code and applicable state law) while the option is held in the trust. You and the trustee must enter into transfer and other agreements required by the Company.

(b) **Domestic Relations Orders**. Upon receiving written permission from the Board or its duly authorized designee, and provided that you and the designated transferee enter into transfer and other agreements required by the Company, you may transfer your option pursuant to the terms of a domestic relations order, official marital settlement agreement or other divorce or separation instrument as permitted by Treasury Regulation 1.421-1(b)(2) that contains the information required by the Company to effectuate the transfer. You are encouraged to discuss the proposed terms of any division of this option with the Company prior to finalizing the domestic relations order or marital settlement agreement to help ensure the required information is contained within the domestic relations order or marital settlement agreement. If this option is an Incentive Stock Option, this option may be deemed to be a Nonstatutory Stock Option as a result of such transfer.

(c) **Beneficiary Designation**. Upon receiving written permission from the Board or its duly authorized designee, you may, by delivering written notice to the Company, in a form approved by the Company and any broker designated by the Company to handle option exercises, designate a third party who, on your death, will thereafter be entitled to exercise this option and receive the Common Stock or other consideration resulting from such exercise. In the absence of such a designation, your executor or administrator of your estate will be entitled to exercise this option and receive, on behalf of your estate, the Common Stock or other consideration resulting from such exercise.

11. RIGHT OF FIRST REFUSAL. Shares of Common Stock that you acquire upon exercise of your option are subject to any right of first refusal that may be described in the Company's bylaws in effect at such time the Company elects to exercise its right; *provided*, *however,* that if there is no

right of first refusal described in the Company's bylaws at such time, the right of first refusal described below will apply. The Company's right of first refusal will expire on the first date upon which any security of the Company is listed (or approved for listing) upon notice of issuance on a national securities exchange or quotation system (the "***Listing Date***").

(a) Prior to the Listing Date, you may not validly Transfer (as defined below) any shares of Common Stock acquired upon exercise of your option, or any interest in such shares, unless such Transfer is made in compliance with the following provisions:

(i) Before there can be a valid Transfer of any shares of Common Stock or any interest therein, the record holder of the shares of Common Stock to be transferred (the "***Offered Shares***") will give written notice (by registered or certified mail) to the Company. Such notice will specify the identity of the proposed transferee, the cash price offered for the Offered Shares by the proposed transferee (or, if the proposed Transfer is one in which the holder will not receive cash, such as an involuntary transfer, gift, donation or pledge, the holder will state that no purchase price is being proposed), and the other terms and conditions of the proposed Transfer. The date such notice is mailed will be hereinafter referred to as the "***Notice Date***" and the record holder of the Offered Shares will be hereinafter referred to as the "***Offeror***." If, from time to time, there is any stock dividend, stock split or other change in the character or amount of any of the outstanding Common Stock which is subject to the provisions of your option, then in such event any and all new, substituted or additional securities to which you are entitled by reason of your ownership of the shares of Common Stock acquired upon exercise of your option will be immediately subject to the Company's Right of First Refusal (as defined below) with the same force and effect as the shares subject to the Right of First Refusal immediately before such event.

(ii) For a period of 30 calendar days after the Notice Date, or such longer period as may be required to avoid the classification of your option as a liability for financial accounting purposes, the Company will have the option to purchase all (but not less than all) of the Offered Shares at the purchase price and on the terms set forth in Section 11(a)(iii) (the Company's "***Right of First Refusal***"). In the event that the proposed Transfer is one involving no payment of a purchase price, the purchase price will be deemed to be the Fair Market Value of the Offered Shares as determined in good faith by the Board in its discretion. The Company may exercise its Right of First Refusal by mailing (by registered or certified mail) written notice of exercise of its Right of First Refusal to the Offeror prior to the end of said 30 days (including any extension required to avoid classification of the option as a liability for financial accounting purposes).

(iii) The price at which the Company may purchase the Offered Shares pursuant to the exercise of its Right of First Refusal will be the cash price offered for the Offered Shares by the proposed transferee (as set forth in the notice required under Section 11(a)(i)), or the Fair Market Value as determined by the Board in the event no purchase price is involved. To the extent consideration

other than cash is offered by the proposed transferee, the Company will not be required to pay any additional amounts to the Offeror other than the cash price offered (or the Fair Market Value, if applicable). The Company's notice of exercise of its Right of First Refusal will be accompanied by full payment for the Offered Shares and, upon such payment by the Company, the Company will acquire full right, title and interest to all of the Offered Shares.

(iv) If, and only if, the option given pursuant to Section 11(a)(ii) is not exercised, the Transfer proposed in the notice given pursuant to Section 11(a)(i) may take place; *provided, however*, that such Transfer must, in all respects, be exactly as proposed in said notice except that such Transfer may not take place either before the 10th calendar day after the expiration of the 30 day option exercise period or after the ninetieth 90th calendar day after the expiration of the 30 day option exercise period, and if such Transfer has not taken place prior to said 90th day, such Transfer may not take place without once again complying with this Section 11(a). The option exercise periods in this Section 11(a)(iv) will be adjusted to include any extension required to avoid the classification of your option as a liability for financial accounting purposes.

(b) As used in this Section 11, the term "***Transfer***" means any sale, encumbrance, pledge, gift or other form of disposition or transfer of shares of Common Stock or any legal or equitable interest therein; *provided, however*, that the term Transfer does not include a transfer of such shares or interests by will or intestacy to your Immediate Family (as defined below). In such case, the transferee or other recipient will receive and hold the shares of Common Stock so transferred subject to the provisions of this Section, and there will be no further transfer of such shares except in accordance with the terms of this Section 11. As used herein, the term "***Immediate Family***" will mean your spouse, the lineal descendant or antecedent, father, mother, brother or sister, child, adopted child, grandchild or adopted grandchild of you or your spouse, or the spouse of any child, adopted child, grandchild or adopted grandchild of you or your spouse.

(c) None of the shares of Common Stock purchased on exercise of your option will be transferred on the Company's books nor will the Company recognize any such Transfer of any such shares or any interest therein unless and until all applicable provisions of this Section 11 have been complied with in all respects. The certificates of stock evidencing shares of Common Stock purchased on exercise of your option will bear an appropriate legend referring to the transfer restrictions imposed by this Section 11.

(d) To ensure that the shares subject to the Company's Right of First Refusal will be available for repurchase by the Company, the Company may require you to deposit the certificates evidencing the shares that you purchase upon exercise of your option with an escrow agent designated by the Company under the terms and conditions of an escrow agreement approved by the Company. If the Company does not require such deposit as a condition of exercise of your option, the Company reserves the right at any time to require you to so deposit the certificates in escrow. As soon as practicable after the expiration of the Company's Right of First Refusal, the agent will deliver to you the shares and any other property no longer subject to such restriction. In the event the shares and any other property held in escrow are subject to the Company's exercise of its Right of First Refusal, the notices required to be given to you will be given to the escrow agent, and any payment required to be given to you will be given to the escrow agent. Within 30 days after payment by the Company for the Offered Shares, the escrow agent will deliver the Offered Shares that the Company has repurchased to the Company and will deliver the payment received from the Company to you.

12. OPTION NOT A SERVICE CONTRACT. Your option is not an employment or service contract, and nothing in your option will be deemed to create in any way whatsoever any obligation on your part to continue in the employ of the Company or an Affiliate, or of the Company or an Affiliate to

continue your employment. In addition, nothing in your option will obligate the Company or an Affiliate, their respective stockholders, boards of directors, officers or employees to continue any relationship that you might have as a Director or Consultant for the Company or an Affiliate.

13. WITHHOLDING OBLIGATIONS.

(a) At the time you exercise your option, in whole or in part, and at any time thereafter as requested by the Company, you hereby authorize withholding from payroll and any other amounts payable to you, and otherwise agree to make adequate provision for (including by means of a "same day sale" pursuant to a program developed under Regulation T as promulgated by the Federal Reserve Board to the extent permitted by the Company), any sums required to satisfy the federal, state, local and foreign tax withholding obligations of the Company or an Affiliate, if any, which arise in connection with the exercise of your option.

(b) If this option is a Nonstatutory Stock Option, then upon your request and subject to approval by the Company, and compliance with any applicable legal conditions or restrictions, the Company may withhold from fully vested shares of Common Stock otherwise issuable to you upon the exercise of your option a number of whole shares of Common Stock having a Fair Market Value, determined by the Company as of the date of exercise, not in excess of the minimum amount of tax required to be withheld by law (or such lower amount as may be necessary to avoid classification of your option as a liability for financial accounting purposes). If the date of determination of any tax withholding obligation is deferred to a date later than the date of exercise of your option, share withholding pursuant to the preceding sentence shall not be permitted unless you make a proper and timely election under Section 83(b) of the Code, covering the aggregate number of shares of Common Stock acquired upon such exercise with respect to which such determination is otherwise deferred, to accelerate the determination of such tax withholding obligation to the date of exercise of your option. Notwithstanding the filing of such election, shares of Common Stock shall be withheld solely from fully vested shares of Common Stock determined as of the date of exercise of your option that are otherwise issuable to you upon such exercise. Any adverse consequences to you arising in connection with such share withholding procedure shall be your sole responsibility.

(c) You may not exercise your option unless the tax withholding obligations of the Company and/or any Affiliate are satisfied. Accordingly, you may not be able to exercise your option when desired even though your option is vested, and the Company will have no obligation to issue a certificate for such shares of Common Stock or release such shares of Common Stock from any escrow provided for herein, if applicable, unless such obligations are satisfied.

14. TAX CONSEQUENCES. You hereby agree that the Company does not have a duty to design or administer the Plan or its other compensation programs in a manner that minimizes your tax liabilities. You will not make any claim against the Company, or any of its Officers, Directors, Employees or Affiliates related to tax liabilities arising from your option or your other compensation. In particular, you acknowledge that this option is exempt from Section 409A of the Code only if the exercise price per share specified in the Grant Notice is at least equal to the "fair market value" per share of the Common Stock on the Date of Grant and there is no other impermissible deferral of compensation associated with the option. Because the Common Stock is not traded on an established securities market, the Fair Market Value is determined by the Board, perhaps in consultation with an independent valuation firm retained by the Company. You acknowledge that there is no guarantee that the Internal Revenue Service will agree with the valuation as determined by the Board, and you will not make any claim against the Company, or any of its Officers, Directors, Employees or Affiliates in the event that the Internal Revenue Service asserts that the valuation determined by the Board is less than the "fair market value" as subsequently determined by the Internal Revenue Service.

15. NOTICES. Any notices provided for in your option or the Plan will be given in writing (including electronically) and will be deemed effectively given upon receipt or, in the case of notices delivered by mail by the Company to you, five days after deposit in the United States mail, postage prepaid, addressed to you at the last address you provided to the Company. The Company may, in its sole discretion, decide to deliver any documents related to participation in the Plan and this option by electronic means or to request your consent to participate in the Plan by electronic means. By accepting this option, you consent to receive such documents by electronic delivery and to participate in the Plan through an on-line or electronic system established and maintained by the Company or another third party designated by the Company.

16. GOVERNING PLAN DOCUMENT. Your option is subject to all the provisions of the Plan, the provisions of which are hereby made a part of your option, and is further subject to all interpretations, amendments, rules and regulations, which may from time to time be promulgated and adopted pursuant to the Plan. If there is any conflict between the provisions of your option and those of the Plan, the provisions of the Plan will control.

ATTACHMENT II

2016 EQUITY INCENTIVE PLAN, AS AMENDED

ATTACHMENT III

NOTICE OF EXERCISE

LIQUIDIA TECHNOLOGIES, INC.
NOTICE OF EXERCISE

Liquidia Technologies, Inc.

419 Davis Dr.
Morrisville, North Carolina 27560

Date of Exercise:

This constitutes notice to **LIQUIDIA TECHNOLOGIES, INC.** (the "***Company***") under my stock option that I elect to purchase the below number of shares of Common Stock of the Company (the "***Shares***") for the price set forth below.

Type of option (check one):	**Incentive o**	**Nonstatutory o**
Stock option dated:		
Number of Shares as to which option is exercised:		
Certificates to be issued in name of:		
Total exercise price:	$	$
Cash payment delivered herewith:	$	$
Regulation T Program (cashless exercise(1))	$	$
Value of Shares delivered herewith(2):	$	$

By this exercise, I agree (i) to provide such additional documents as you may require pursuant to the terms of the 2016 Equity Incentive Plan, (ii) to provide for the payment by me to you (in the manner designated by you) of your withholding obligation, if any, relating to the exercise of this option, and (iii) if this exercise relates to an incentive stock option, to notify you in writing within 15 days after the date of any disposition of any of the Shares issued upon exercise of this option that occurs within two years after the date of grant of this option or within one year after such Shares are issued upon exercise of this option.

I hereby make the following certifications and representations with respect to the number of Shares listed above, which are being acquired by me for my own account upon exercise of the option as set forth above:

(1) Shares must meet the public trading requirements set forth in the option agreement.

(2) Shares must meet the public trading requirements set forth in the option. Shares must be valued in accordance with the terms of the option being exercised, and must be owned free and clear of any liens, claims, encumbrances or security interests. Certificates must be endorsed or accompanied by an executed assignment separate from certificate.

I acknowledge that the Shares have not been registered under the Securities Act of 1933, as amended (the "***Securities Act***"), and are deemed to constitute "restricted securities" under Rule 701 and Rule 144 promulgated under the Securities Act. I warrant and represent to the Company that I have no present intention of distributing or selling said Shares, except as permitted under the Securities Act and any applicable state securities laws.

I further acknowledge that I will not be able to resell the Shares for at least 90 days after the stock of the Company becomes publicly traded (*i.e.*, subject to the reporting requirements of Section 13 or 15(d) of the Securities Exchange Act of 1934) under Rule 701 and that more restrictive conditions apply to affiliates of the Company under Rule 144.

I further acknowledge that all certificates representing any of the Shares subject to the provisions of the option shall have endorsed thereon appropriate legends reflecting the foregoing limitations, as well as any legends reflecting restrictions pursuant to the Company's Articles of Incorporation, Bylaws and/or applicable securities laws.

I further agree that, if required by the Company (or a representative of the underwriters) in connection with the first underwritten registration of the offering of any securities of the Company under the Securities Act, I will not sell, dispose of, transfer, make any short sale of, grant any option for the purchase of, or enter into any hedging or similar transaction with the same economic effect as a sale with respect to any shares of Common Stock or other securities of the Company for a period of 180 days following the effective date of a registration statement of the Company filed under the Securities Act (or such longer period as the underwriters or the Company shall request to facilitate compliance with FINRA Rule 2711 or NYSE Member Rule 472 or any successor or similar rule or regulation) (the "***Lock-Up Period***"). I further agree to execute and deliver such other agreements as may be reasonably requested by the Company or the underwriters that are consistent with the foregoing or that are necessary to give further effect thereto. In order to enforce the foregoing covenant, the Company may impose stop-transfer instructions with respect to securities subject to the foregoing restrictions until the end of such period.

Very truly yours,

_____
(Signature)

_____
Name (Please Print)

Address of Record:

NINTH AMENDMENT
TO
LOAN AND SECURITY AGREEMENT

This Ninth Amendment to Loan and Security Agreement (the "***Amendment***") is made and entered into as of March 29, 2018 by and between PACIFIC WESTERN BANK, a California state chartered bank ("***Bank***"), and LIQUIDIA TECHNOLOGIES, INC. ("***Borrower***").

RECITALS

Borrower and Bank are parties to that certain Loan and Security Agreement dated as of January 6, 2016 (as amended from time to time, the "***Agreement***"). The parties desire to amend the Agreement in accordance with the terms of this Amendment.

NOW, THEREFORE, the parties agree as follows:

1) Bank hereby agrees to refund to Borrower the principal amount of the Term Loans that Borrower paid to Bank during the months of February 2018 and March 2018. Such refunded amounts, along with all other outstanding principal of the Term Loans, shall hereafter be due and payable as set forth in Section 2.1(b)(ii) and Section 2.1(d)(iii) below.

2) Bank hereby waives Borrower's violations of Section 6.2(a) and Section 6.2(x) of the Agreement for failing to deliver to Bank, on or before March 2, 2018, the financial reporting and Compliance Certificate required thereby for the month ending January 31, 2018.

3) Bank hereby waives Borrower's violation of Section 6.2(c) of the Agreement for failing to deliver to Bank, on or before February 28, 2018, Borrower's Board-approved 2018 annual budget.

4) Section 2.1(b)(ii) of the Agreement is hereby amended and restated, as follows:

(ii) Interest shall continue to accrue on the Tranche I Term Loan at the rate specified in Section 2.3(a), and, prior to the Tranche I Interest-Only End Date, shall be payable monthly on the 18th day of each month. Any portion of the Tranche I Term Loan that is outstanding on the Tranche I Interest-Only End Date shall be payable in equal monthly installments of principal, plus all accrued interest, beginning on August 6, 2018, and continuing on the same day of each month thereafter through the Tranche I Term Loan Maturity Date, at which time all amounts due in connection with the Tranche I Term Loan shall be immediately due and payable. The Tranche I Term Loan, once repaid, may not be reborrowed. Borrower may prepay all or any portion of the Tranche I Term Loan without penalty or premium.

5) Section 2.1(d)(iii) of the Agreement is hereby amended and restated, as follows:

(iii) Interest shall accrue from the date of each Tranche II Term Loan and Tranche III Term Loan at the rate specified in Section 2.3(a), and, prior to the Tranche II/Tranche III Interest-Only End Date, shall be payable monthly beginning on the 12th day of the month next following such Tranche II Term Loan or Tranche III Term Loan, and continuing

on the same day of each month thereafter. Any Tranche II Term Loans and Tranche III Term Loans that are outstanding on the Tranche II/Tranche III Interest-Only End Date shall be payable in equal monthly installments of principal, plus all accrued interest, beginning on the date that is one month immediately following the Tranche II/Tranche III Interest-Only End Date, and continuing on the same day of each month thereafter through the Tranche II/Tranche III Term Loan Maturity Date, at which time all amounts due in connection with the Tranche II Term Loans and Tranche III Term Loans and any other amounts due under this Agreement shall be immediately due and payable. Tranche II Term Loans and Tranche III Term Loans, once repaid, may not be reborrowed. Borrower may prepay any Tranche II Term Loan or Tranche III Term Loan at any time without penalty or premium.

6) Section 6.10 of the Agreement is hereby amended and restated, as follows:

6.10 Financial and Milestone Covenants. Borrower shall maintain and achieve the following financial and milestone covenants:

(a) Minimum Cash at Bank. Borrower shall at all times maintain a balance of Cash at Bank of at least $8,000,000, monitored on a daily basis.

(b) Clinical Milestone. Borrower shall not have observed any materially adverse data from Borrower's LIQ861 Phase 3 study as of December 31, 2018.

(c) Setting of Future Covenants. Bank shall set one or more financial or milestone covenants following Borrower's achievement of the covenant in Section 6.10(b) above, and such covenant(s) shall be added to this Agreement through an amendment.

7) The following defined term is hereby added in Exhibit A to the Agreement, as follows:

"Tranche II/Tranche III Interest-Only End Date" means July 12, 2018.

8) The following defined terms in Exhibit A to the Agreement are hereby amended and restated, as follows:

"Credit Card Maturity Date" means September 30, 2018.

"Tranche I Interest-Only End Date" means July 6, 2018.

9) Unless otherwise defined, all initially capitalized terms in this Amendment shall be as defined in the Agreement. The Agreement, as amended hereby, shall be and remain in full force and effect in accordance with its respective terms and hereby is ratified and confirmed in all respects. Except as expressly set forth herein, the execution, delivery, and performance of this Amendment shall not operate as a waiver of, or as an amendment of, any right, power, or remedy of Bank under the Agreement, as in effect prior to the date hereof. Borrower ratifies and reaffirms the continuing effectiveness of all agreements entered into in connection with the Agreement.

10) Borrower represents and warrants that the representations and warranties contained in the Agreement are true and correct as of the date of this Amendment.

11) This Amendment may be executed in two or more counterparts, each of which shall be deemed an original, but all of which together shall constitute one instrument.

12) As a condition to the effectiveness of this Amendment, Bank shall have received, in form and substance satisfactory to Bank, the following:

a) this Amendment, duly executed by Borrower;

b) payment of a $5,000 facility fee, which may be debited from any of Borrower's accounts;

c) payment of all Bank Expenses, including Bank's expenses for the documentation of this Amendment and any related documents, and any UCC, good standing or intellectual property search or filing fees, which may be debited from any of Borrower's accounts; and

d) such other documents and completion of such other matters, as Bank may reasonably deem necessary or appropriate.

[Signature Page Follows]

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

LIQUIDIA TECHNOLOGIES, INC.		**PACIFIC WESTERN BANK**	
By:	/s/ Timothy Albury	By:	/s/ Lan Zhu
Name:	Timothy Albury	Name:	Lan Zhu
Title:	Chief Accounting Officer	Title:	Vice President

[Signature Page to Ninth Amendment to Loan and Security Agreement]

Exhibit 10.14

Confidential treatment has been requested with respect to portions of this agreement as indicated by "[***]" and such confidential portions have been deleted and filed separately with the Securities and Exchange Commission pursuant to Rule 24b-2 of the Securities Exchange Act of 1934, as amended.

EXECUTION COPY
CONFIDENTIAL

INHALED COLLABORATION AND OPTION AGREEMENT

This **INHALED COLLABORATION AND OPTION AGREEMENT** (the "**Agreement**") is entered into as of June 15, 2012 (the **"Effective Date"**) by and between **LIQUIDIA TECHNOLOGIES, INC.**, a Delaware corporation, having its principal place of business at 419 Davis Dr., Suite 100, Morrisville, NC 27560 ("**Liquidia**"), and **GLAXO GROUP LIMITED**, a company organized and existing under the laws of England and having an office and place of business at Glaxo Wellcome House, Berkeley Avenue, Greenford, Middlesex, UB6 ONN, United Kingdom ("**GSK**"). Liquidia and GSK are sometimes referred to herein individually as a "**Party**" and collectively as the "**Parties**."

RECITALS

WHEREAS, Liquidia controls certain technology for the formulation and/or delivery of small molecule, diagnostic, or biologic constructs, generally known as its PRINT platform technology, including PRINT particles, particle formulations, and PRINT processing technology;

WHEREAS, GSK possesses resources and expertise in the research, development, marketing, and commercialization of pharmaceutical products, and desires to develop pharmaceutical products using Liquidia's PRINT platform;

WHEREAS, Liquidia and GSK desire to collaborate on research regarding application of Liquidia's PRINT platform to pharmaceutical products upon the terms and conditions set forth herein;

WHEREAS, Liquidia desires to grant to GSK certain exclusive options and licenses as further described in this Agreement with respect to certain of Liquidia's intellectual property rights to enable GSK to further develop Research Products and commercialize Inhaled Products on the terms and conditions set forth herein; and

WHEREAS, Liquidia and GlaxoSmithKline Biologicals S.A. have entered into the Vaccine Collaboration Agreement (as defined below), and the Joint Steering Committee (as defined below) will oversee the Collaboration Program conducted under both this Agreement and the Vaccine Collaboration Agreement.

NOW, THEREFORE, in consideration of the foregoing premises and the mutual covenants and conditions contained in this Agreement, the Parties agree as follows:

ARTICLE 1
DEFINITIONS

Unless the context otherwise requires, the terms in this Agreement with initial letters capitalized, shall have the meanings set forth below, or the meaning as designated in the indicated places throughout this Agreement.

Confidential treatment has been requested with respect to portions of this agreement as indicated by "[***]" and such confidential portions have been deleted and filed separately with the Securities and Exchange Commission pursuant to Rule 24b-2 of the Securities Exchange Act of 1934, as amended.

1.1 "Acceptable Label" means, for an applicable Product, a label for such Product as issued and approved by the applicable Regulatory Authority and acceptable to GSK in its sole discretion.

1.2 "Acquiror" has the meaning set forth in Section 17.5(a).

1.3 "Action" has the meaning set forth in Section 11.6(b)(i).

1.4 "Affiliate" means, with respect to a particular Party, a person, corporation, partnership, or other entity that controls, is controlled by or is under common control with such Party. For the purposes of this definition, the word "control" (including, with correlative meaning, the terms "controlled by" or "under common control with") means the actual power, either directly or indirectly through one or more intermediaries, to direct or cause the direction of the management and policies of such entity, whether by the ownership of fifty percent (50%) or more (or such lesser percentage which is the maximum allowed to be owned by a person, corporation, partnership or other entity in a particular jurisdiction) of the voting stock of such entity, or by contract or otherwise.

1.5 "Agreement" has the meaning set forth in the preamble.

1.6 "Alliance Manager" has the meaning set forth in Section 2.3.

1.7 "Anti-Corruption Laws" means the Foreign Corrupt Practices Act of 1977 and the UK Bribery Act, and any similar Laws in jurisdictions other than the U.S. and United Kingdom.

1.8 "Antigen" means any material that induces an adaptive immune response specific to itself. **"Antigen(s)"** includes antigens from viruses, bacteria, parasites, self or addiction as a Vaccine target. **"Antigen"** shall exclude the following: (a) antigens expressed from DNA or RNA *in vivo* (where the DNA or RNA is not in a live vector); (b) Free Polysaccharide; and (c) live replicating virus when the virus is contained in PRINT Material. For the sake of

clarity, the Antigens included in the scope of the Vaccines Option granted to GSK hereunder encompass pre-conjugated polysaccharides and other live vectors.

1.9 **"Bankruptcy Code"** has the meaning set forth in Section 15.4.

1.10 **"BLA"** means a Biologicals License Application (as more fully defined in 21 C.F.R. 601 *et. seq*., or its successor provisions) and all amendments and supplements thereto.

1.11 **"BMGF"** means the Bill & Melinda Gates Foundation.

1.12 **"BMGF Letter Agreement"** means the letter agreement between Liquidia and BMGF dated February 18, 2011, as amended October 25, 2011.

1.13 **"Business Day"** means a day on which banking institutions in London, England and New York, New York are open for business, but excluding the nine (9) consecutive calendar days beginning on December 24th and continuing through January 1st of each calendar year during the Term, and all Saturdays and Sundays.

1.14 **"Chairperson"** has the meaning set forth in Section 2.1(a).

1.15 **"Change of Control"** means the occurrence of any of the following: (a) a Party enters into a merger, consolidation, stock sale or sale or transfer of all or substantially all of its assets to which this Agreement relates, or other similar transaction or series of transactions with a Third Party; or (b) any transaction or series of related transactions in which any Third Party or group of Third Parties acquires beneficial ownership of securities of a Party representing more than fifty percent (50%) (or such lesser percentage which is the maximum allowed to be owned by a Third Party in a particular jurisdiction) of the combined voting power of the then outstanding securities of such Party. Notwithstanding the foregoing, a stock sale to underwriters of a public offering of a Party's capital stock or a stock sale to Third Parties solely for the purpose of financing or a transaction solely to change the domicile of a Party shall not constitute a Change of Control.

1.16 **"Claims"** has the meaning set forth in Section 13.1.

1.17 **"Clinical Trial"** means any human clinical trial of a Research Product or Liquidia Respiratory Product.

1.18 **"CMC"** has the meaning set forth in Section 7.1.

1.19 **"Co-Delivery Vaccine Field"** has the meaning set forth in the Vaccine Collaboration Agreement.

1.20 **"COGS"** means the Standard Cost of manufacture and supply of the PRINT Material used in the Products, calculated annually for the period January 1st to December 31st, in accordance with IFRS. For purposes of this definition, **"Standard Cost"** means the sum of the Direct Costs and Indirect Costs attributable to the supply of the PRINT Material used in the Products. **"Direct Costs"** include those components that can be specifically identified as either raw ingredients, bought in intermediates or finishing supplies necessary to produce the PRINT Materials and the man hours necessary to perform the actual process of manufacturing the PRINT Materials (including processing and packaging, equipment operators, line mechanics, set up mechanics and material handlers to supply the line). **"Indirect Costs"** include those costs related directly to the manufacture and supply of the PRINT Materials, other than Direct Costs, including external tolling fees and other third party manufacturing expenses, shipping, insurance and quality control, as well as costs for the PRINT Materials that exist regardless of whether or not the supply occurs, including depreciation (which reflects on a *pro rata* basis the use of assets used for manufacture and supply of the product), utilities (e.g. electricity), facility maintenance, supervisory staff, warehouse allocations, plant support staff, corporate allocations, systems support and technical support for labor, in each case to the extent attributable to the manufacture and supply of the PRINT Materials. For clarity, "Standard Costs" do not include the following: plant costs incurred due to rework of the PRINT Materials, with the exception of a reasonable allowance in line with historical performance; value of PRINT Materials discarded in the manufacturing process (other than process related scrap); costs related to manufacturing process development; allocations of overhead incurred outside of the manufacturing and supply process such as support, business development, accounting, taxes and legal; and selling and administrative expenses.

1.21 **"Collaboration Costs"** has the meaning set forth in Section 3.4.

1.22 **"Collaboration Know-How"** has the meaning set forth in Section 11.3.

1.23 **"Collaboration Program"** means the conduct of both the Inhaled Collaboration and Vaccine Collaboration.

1.24 **"Combination"** has the meaning set forth in Section 1.109.

1.25 **"Commercial Supply Agreement"** has the meaning set forth in Section 9.2.

1.26 **"Commercially Reasonable Efforts"** means, with respect to a Party, such efforts that are consistent with the efforts and resources generally used by such Party in the exercise of its reasonable business discretion relating to the research, development and commercialization of a

pharmaceutical product owned by it or to which it has exclusive rights, with similar product characteristics, which is of similar market potential at a similar stage in its development or product life, taking into account issues of patent coverage, safety and efficacy, product profile, the competitiveness of the marketplace, the proprietary position of the compound or product, the regulatory structure involved, the potential or actual profitability of the applicable products (including pricing and reimbursement status achieved or to be achieved), and other relevant factors, including technical, legal, scientific and/or medical factors. For purposes of clarity, Commercially Reasonable Efforts would be determined on a market-by-market and indication-by-indication basis for a particular Research Product or Product and it is anticipated that the level of effort may be different for different markets and may change over time, reflecting changes in the status of the Research Product or Product and the market(s) involved.

1.27 **"Committee Party(ies)"** has the meaning set forth in Section 2.1.

1.28 **"Confidential Information"** of a Party means any and all Know-How of such Party that is disclosed to the other Party under this Agreement, whether in oral, written, graphic, or electronic form. All Know-How disclosed by either Party pursuant to the Confidential Disclosure Agreement between the Parties dated March 9, 2011, and Amendment #1 To Confidential Disclosure Agreement dated January 25, 2012 (collectively, the "**Confidentiality Agreement**") shall be deemed to be such Party's Confidential Information disclosed hereunder.

1.29 **"Consulting Agreement"** means the Consulting Agreement between Liquidia and Joseph M. DeSimone (the **"Consultant"**), dated June 8, 2004, as amended.

1.30 **"Control"** means, with respect to any material, Know-How, Patent or other intellectual property right, that a Party (a) owns or (b) has a license (other than a license granted to such Party under this Agreement) to such material, Know-How, Patent or other intellectual property right and, in each case, has the ability to grant to the other Party access, a license, or a sublicense (as applicable) to the foregoing on the terms and conditions set forth in this Agreement without violating the terms of any then-existing agreement or other arrangement with any Third Party.

1.31 **"CPR"** has the meaning set forth in Section 16.3.

Confidential treatment has been requested with respect to portions of this agreement as indicated by "[***]" and such confidential portions have been deleted and filed separately with the Securities and Exchange Commission pursuant to Rule 24b-2 of the Securities Exchange Act of 1934, as amended.

1.32 **"Development Delay"** has the meaning set forth in Section 6.2.

1.33 **"Development Supply Agreement"** has the meaning set forth in Section 9.1(b).

1.34 **"Disease Field"** has the meaning set forth in the Vaccine Collaboration Agreement.

1.35 **"Dollar"** means a U.S. dollar, and "**$**" shall be interpreted accordingly.

1.36 **"Effective Date"** has the meaning set forth in the preamble.

1.37 **"EMA"** means the European Medicines Agency or any successor entity.

1.38 **"Enforcing Party"** has the meaning set forth in Section 11.6(b)(iii).

1.39 **"EU"** or **"European Union"** means the European Union member states as then constituted.

1.40 **"Excluded Applications"** has the meaning set forth in the Vaccine Collaboration Agreement.

1.41 **"Executive Officer"** means, with respect to Liquidia, its Chief Executive Officer, with respect to GSK, its Senior Vice President of Platform Technology and Science, and with respect to GSK Bio, its Senior Vice President Research and Development Prophylactic Vaccines, or in each case, such Executive Officer's designee, provided such designee is at a Vice President level or above.

1.42 **"Exercised Disease Field"** has the meaning set forth in the Vaccine Collaboration Agreement.

1.43 **"Exercised Field"** means the Liquidia Respiratory Field if GSK exercises the Liquidia Respiratory Option, and the Inhaled Field if GSK exercises the Inhaled Option.

1.44 **"FD&C Act"** means the U.S. Federal Food, Drug and Cosmetic Act, as amended, and applicable regulations promulgated thereunder by the FDA.

1.45 **"FDA"** means the U.S. Food and Drug Administration or any successor entity.

1.46 **"First Commercial Sale"** means, with respect to a Product, the first sale of such Product to a Third Party by or on behalf of GSK, its Affiliates or sublicensees in a given regulatory jurisdiction following the receipt of Regulatory Approval.

1.47 **"Free Polysaccharide"** means a polysaccharide that is not conjugated to a protective protein Antigen or carrier protein before it is contained in or associated with PRINT Material.

1.48 **"FTE"** means the equivalent of a full-time professional individual's work, at 1,950 hours per year, as adjusted to account for vacation and other permitted time off, for a

twelve (12)-month period. If any part-time personnel of Liquidia performs activities in furtherance of the Inhaled Collaboration under this Agreement, the full time equivalent to be attributed to such work shall reflect appropriate adjustment for such personnel's reduced total work time relative to full time personnel. FTE efforts shall include professional, scientific or technical work and shall not include general corporate and administrative overhead. Liquidia shall track FTEs using its standard practice and normal systems and methodologies.

1.49 "FTE Costs" means, for any period, (a) the percentage of time each FTE is involved in activities in furtherance of the performance of the Inhaled Collaboration in accordance with this Agreement, multiplied by (b) the number of FTEs involved in such activities for such percentage of time, multiplied by (c) an amount equal to the FTE Rate then in effect. For example, if [***] Liquidia employees devote [***] percent ([***]%) of their time to the performance of the Inhaled Collaboration during the first year of this Agreement, then the associated FTE Costs for such employees for such period would be [***]. For the avoidance of doubt, FTE Costs shall not include the costs of personnel serving as JSC, JIRC or JPC members, or Alliance Managers, in their duties as JSC, JIRC or JPC members or Alliance Managers.

1.50 "FTE Rate" means, as of the Effective Date, an annual rate of $[***] per FTE. The FTE Rate may be changed by Liquidia annually, upon notice to GSK and inclusion of the modified FTE Rate in the budget for the applicable Inhaled Plan, commencing on January 1, 2014 to reflect any year-to-year percentage increase or decrease from the Effective Date as reflected in the [***], as published by the [***].

1.51 "General Biological Effects" means biological effect(s) that are not solely applicable within the Inhaled Field or vaccines applications and that result from either (a) the shape and/or uniformity of size of particles contained within PRINT Material or (b) the particle surface characteristics, particle modulus, and/or particle charge, only if and to the extent biological effect(s) are due to the association of such characteristics with the shape and/or uniformity of size of particles contained within PRINT Material, and cannot be achieved with a technology other than PRINT. For clarity, General Biological Effects does not include biological effects attributable to (i) components of PRINT Materials other than the particles themselves, such as excipients and polymers, or (ii) the overall formulation of the composition of particles comprising PRINT Materials.

1.52 "Generic Product" means, with respect to a particular Product in a particular regulatory jurisdiction, any pharmaceutical product that (a) contains substantially the same composition of active ingredients and particles as contained in such Product, in the same pharmaceutical form as the Product; (b) has obtained regulatory approval in such regulatory jurisdiction on expedited or abbreviated basis in a manner that relied on or incorporated data submitted by GSK, its Affiliates or sublicensees; and (c) is sold in such regulatory jurisdiction by a Third Party that is not a sublicensee of GSK or its Affiliates and did not purchase such product in a chain of distribution that included any of GSK, its Affiliates or sublicensees.

1.53 "GLP" means the then-current good laboratory practice standards promulgated or endorsed by the FDA as defined in 21 C.F.R. Part 58, and comparable regulatory standards promulgated by the EMA or other applicable Regulatory Authority, as they may be updated from time to time, including applicable quality guidelines promulgated under the ICH.

Confidential treatment has been requested with respect to portions of this agreement as indicated by "[***]" and such confidential portions have been deleted and filed separately with the Securities and Exchange Commission pursuant to Rule 24b-2 of the Securities Exchange Act of 1934, as amended.

1.54 "GMP" means the then-current good manufacturing practice standards promulgated or endorsed by the FDA as defined in 21 C.F.R. Parts 210 and 211, as may be amended from time to time, or any successor thereto and foreign equivalents thereof.

1.55 "Governmental Authority" means any multi-national, federal, state, local, municipal, provincial or other governmental authority of any nature (including any governmental division, prefecture, subdivision, department, agency, bureau, branch, office, commission, council, court or other tribunal).

1.56 "GSK Bio" means GlaxoSmithKline Biologicals S.A., a company registered in Belgium under number RPM Nivelles — BE — 0440 872 918 and having its principal place of business at 89, Rue de l' Institut, 1330 Rixensart, Belgium.

1.57 "GSK Bio Alliance Manager" has the meaning set forth in Section 2.3.

1.58 "GSK Collaboration Know-How" has the meaning set forth in Section 11.3(b).

1.59 "GSK Indemnitees" has the meaning set forth in Section 13.1.

1.60 "GSK Know-How" means all (a) Know-How that is (i) Controlled by GSK or its Affiliates as of the Effective Date or during the Inhaled Collaboration Term which may include GSK Collaboration Know-How, and (ii) necessary or useful for Liquidia to carry out its obligations under the Inhaled Plan, and (b) PRINT Improvements.

1.61 "GSK Materials" means any and all materials selected by GSK, its Affiliates or sublicenses to research, develop and/or commercialize using or in connection with PRINT or PRINT Material, including compounds, active pharmaceutical ingredients, drug products, devices, biological materials, Antigens, immunostimulants, reagents or the like, and any modifications or derivatives thereof, whether or not such material is proprietary to GSK, its Affiliates or sublicensees.

1.62 "GSK Patents" means any Patent that (a) is Controlled by GSK or its Affiliates as of the Effective Date or during the Inhaled Collaboration Term and (b) would be infringed by Liquidia's performance of its obligations under the Inhaled Plan, absent the license granted hereunder.

1.63 "GSK Respiratory Technology" has the meaning set forth in Section 15.5(a)(i)(A).

1.64 "GSK Technology" means GSK Know-How and GSK Patents.

1.65 **"GSK Withholding Tax Action"** has the meaning set forth in Section 10.11(c).

1.66 **"ICC"** has the meaning set forth in Section 16.4.

1.67 **"ICH"** means International Conference on Harmonisation.

1.68 **"Indemnified Party"** has the meaning set forth in Section 13.3.

Confidential treatment has been requested with respect to portions of this agreement as indicated by "[***]" and such confidential portions have been deleted and filed separately with the Securities and Exchange Commission pursuant to Rule 24b-2 of the Securities Exchange Act of 1934, as amended.

1.69 **"Indemnifying Party"** has the meaning set forth in Section 13.3.

1.70 **"Inhaled Collaboration"** has the meaning set forth in Section 3.1.

1.71 **"Inhaled Collaboration Term"** has the meaning set forth in Section 3.3(a).

1.72 **"Inhaled Field"** means the treatment of any human disease or condition in pulmonary tissues or cells, the brain or any other extra-pulmonary tissues, in each case via the inhaled route topically via the lung or nasal mucosa, but excludes prophylactic or therapeutic Vaccine. For clarity, the Inhaled Field includes the Liquidia Respiratory Field.

1.73 **"Inhaled License"** has the meaning set forth in Section 5.2(b).

1.74 **"Inhaled Option"** has the meaning set forth in Section 4.2(a).

1.75 **"Inhaled Option Notice"** has the meaning set forth in Section 4.2(b).

1.76 **"Inhaled Option Period"** has the meaning set forth in Section 4.2(b).

1.77 **"Inhaled Plan"** has the meaning set forth in Section 3.2.

1.78 **"Inhaled Product"** means (a) any drug product that is regulated under the FD&C Act on a prescription basis (or, with respect to drug products sold in jurisdictions other than the United States, that would be regulated under the FD&C Act on a prescription basis if sold in the United States) or (b) any drug product initially made available on a prescription basis as an Inhaled Product under this Agreement but later made available on a non-prescription or over-the-counter basis, in each case of (a) and (b) that comprises or contains PRINT Material and GSK Material in its final finished form for sale for use in humans in the Inhaled Field. For clarity, Inhaled Product excludes Research Materials, Research Products and any product that is intended for animal health use, diagnostic use or consumer health use.

1.79 **"JIRC Term"** has the meaning set forth in Section 2.2.

1.80 **"Joint Inhaled Collaboration Know-How"** has the meaning set forth in Section 11.4(a).

1.81 **"Joint Inhaled Collaboration Patents"** has the meaning set forth in Section 11.4(c).

1.82 **"Joint Inhaled Research Committee"** or **"JIRC"** has the meaning set forth in Section 2.2.

1.83 **"Joint Patent Committee"** or **"JPC"** has the meaning set forth in Section 2.4.

1.84 **"Joint Steering Committee"** or **"JSC"** means the committee formed by the Parties as described in Section 2.1.

Confidential treatment has been requested with respect to portions of this agreement as indicated by "[***]" and such confidential portions have been deleted and filed separately with the Securities and Exchange Commission pursuant to Rule 24b-2 of the Securities Exchange Act of 1934, as amended.

1.85 **"Joint Vaccine Collaboration Know-How"** has the meaning set forth in the Vaccine Collaboration Agreement.

1.86 **"Joint Vaccine Collaboration Patents"** has the meaning set forth in the Vaccine Collaboration Agreement.

1.87 **"Joint Vaccines Research Committee"** or **"JVRC"** means the research committee established under Section 2.2 of the Vaccines Collaboration Agreement.

1.88 **"JSC Term"** has the meaning set forth in Section 2.1.

1.89 **"Know-How"** means any and all data and test data (including pharmacological, biological, chemical, biochemical, clinical test data and data resulting from non-clinical studies), results, inventions (whether or not patentable), technology, business or financial information or information of any other type, in any tangible or intangible form, including know-how, trade secrets, practices, techniques, methods, processes, developments, specifications, formulations, formulae, materials or compositions of matter of any type or kind (patentable or otherwise), software, algorithms, and expertise.

1.90 **"Laws"** means all laws, statutes, rules, regulations, ordinances and other pronouncements having the effect of law of any federal, national, multinational, state, provincial, county, city or other political subdivision.

1.91 **"Legal Requirement"** has the meaning set forth in Section 14.4(c).

1.92 **"Liquidia Collaboration Know-How"** has the meaning set forth in Section 11.3(a).

1.93 **"Liquidia Know-How"** means all Know-How that is (a) Controlled by Liquidia or its Affiliates as of the Effective Date or at any time during the Term, whether such Know-How arises under the Collaboration Program as Liquidia Collaboration Know-How or arises outside of the Collaboration Program (for example, arising in connection with the work conducted by UNC under the UNC Research Agreement), and (b) necessary or reasonably useful for the making, having made, using, selling, offering for sale and import of the Liquidia Respiratory Product, the Research Products or the Inhaled Products, as applicable. For clarity, Liquidia Know-How excludes Joint Inhaled Collaboration Know-How. The use of "Affiliate" in this definition shall exclude any Third Party that becomes an Affiliate of Liquidia in connection with a Change of Control of Liquidia after the Effective Date.

1.94 **"Liquidia Indemnitees"** has the meaning set forth in Section 13.2.

1.95 **"Liquidia Patents"** means any Patent that (a) is Controlled by Liquidia or its Affiliates as of the Effective Date or at any time during the Term, and (b) would be infringed by the making, having made, using, selling, offering for sale or import of the Liquidia Respiratory Product, Research Products or the Inhaled Products, as applicable, absent the license granted hereunder to GSK upon GSK's exercise of the Liquidia Respiratory Option or Inhaled Option, as applicable. For clarity, Liquidia Patents exclude Joint Inhaled Collaboration Patents, but include

Patents covering or claiming Liquidia Know-How. The Liquidia Patents existing as of the Effective Date include those set forth in Exhibit A attached hereto. The use of "Affiliate" in this definition shall exclude any Third Party that becomes an Affiliate of Liquidia in connection with a Change of Control of Liquidia after the Effective Date.

1.96 **"Liquidia Respiratory Field"** means the treatment or prevention of pulmonary hypertension.

1.97 **"Liquidia Respiratory License"** has the meaning set forth in Section 5.2(a).

1.98 **"Liquidia Respiratory Option"** has the meaning set forth in Section 4.1(b).

1.99 **"Liquidia Respiratory Product"** means the dry powder inhaled Treprostinil product known as NT-001 or a substitute non-proprietary compound directed to the treatment or prevention of pulmonary hypertension, which product is developed by Liquidia using PRINT. For clarity, any compound substitution shall become fixed as of the date GSK exercises the Liquidia Respiratory Option.

1.100 **"Liquidia Retained Product"** has the meaning set forth in the Vaccine Collaboration Agreement.

1.101 **"Liquidia Technology"** means the Liquidia Know-How and Liquidia Patents. For purposes of clarity, Liquidia Technology includes Know-How and Patents covering or claiming any and all inventions, discoveries and other subject matter conceived or reduced to practice or otherwise discovered by or on behalf of Liquidia in connection with development of the Liquidia Respiratory Product, the Excluded Applications, or any vaccine product in the Retained Disease Field, that are related to PRINT and have broad applicability to other products, but excludes Know-How and Patents covering or claiming any and all inventions, discoveries and other subject matter conceived or reduced to practice or otherwise discovered by or on behalf of Liquidia in connection with development of the Liquidia Respiratory Product, the Excluded Applications, or any vaccine product in the Retained Disease Field, that are specific solely to the Liquidia Respiratory Product, the Excluded Applications, or any vaccine product in the Retained Disease Field, as applicable, that do not have broad applicability to other products, and therefore, are not necessary for the making, having made, using, selling, offering for sale and importing of other products (including Research Products and Inhaled Products).

1.102 **"Losses"** has the meaning set forth in Section 13.1.

1.103 "**Major EU Markets**" means France, Germany, Italy, Spain, and the United Kingdom.

1.104 **"Marketing Authorization Application"** or **"MAA"** means an application to the appropriate Regulatory Authority for approval to market a Product (but excluding pricing approval) in any particular jurisdiction, including an NDA or BLA in the U.S.

1.105 **"Material Receiving Party"** has the meaning set forth in Section 3.5(c)(i).

1.106 **"Materials"** has the meaning set forth in Section 3.5(c)(i).

1.107 **"NDA"** means a New Drug Application (as more fully described in 21 C.F.R. 314.50 et seq. or its successor regulation) and all amendments and supplements thereto.

1.108 **"Negotiation Period"** has the meaning set forth in Section 4.3.

1.109 "Net Sales" means, with respect to a Product, the sales figure publicly reported by GSK on a calendar quarterly basis as calculated using International Financial Reporting Standards (IFRS) applied in a consistent basis. An example of the calculation method used as of the Effective Date of this Agreement is listed in Schedule 1.109; provided, that such example is provided for illustrative purposes only and may not be the same calculation method used by GSK upon First Commercial Sale of a Product. Notwithstanding the foregoing, amounts received or invoiced by GSK, its Affiliates, or their sublicensees for the sale of such Product among GSK, its Affiliates or their respective sublicensees for resale shall not be included in the computation of Net Sales hereunder. With respect to any sale of any Product in a given country for any substantive consideration other than monetary consideration on arm's length terms (which has the effect of reducing the invoiced amount below what it would have been in the absence of such non-monetary consideration), for the purposes of calculating the Net Sales under this Agreement, such Product shall be deemed to be sold exclusively for money at the average Net Sales price charged to Third Parties for cash sales in such country during the applicable reporting period (or if there were only de minimus cash sales in such country, at the fair market value as determined by comparable markets). Adjustments may be made to the calculation of Net Sales as required by changes in IFRS as necessary in the future, or as appropriate to reflect changes to GSK's accounting rules (e.g. change from IFRS to UK GAAP).

If a Product is sold as part of a Combination (**"Combination"** means a Product formulated in combination with one or more already marketed product(s) derived independently of this Agreement) and such Product and other products contained in the Combination are sold separately, then Net Sales for purposes of determining royalties on the Product in the Combination shall be calculated by [***]; provided, that Net Sales for purpose of determining royalties on the Product in the Combination in accordance with this paragraph shall be no less than [***] percent ([***]%) of the Net Sales of the Combination.

If the Product in a Combination is not sold separately or if the average wholesale acquisition cost of the Product in the Combination is not available and the Parties are unable to agree on an alternative arrangement, then Net Sales for purposes of determining royalties on the Product in the Combination shall be determined by multiplying Net Sales of the Combination by a fraction X/Y, wherein X is [***], and [***]; provided, that Net Sales for purpose of determining royalties on the Product in the Combination in accordance with this paragraph shall be no less than [***]percent ([***]%) of the Net Sales of the Combination. For illustrative purposes with respect to this paragraph, if GSK sells a Combination comprising (a) [***]and (b) [***], the Net Sales of the Combination shall be multiplied by [***], provided that the Net Sales attributable to the Product in the Combination shall be no less than [***] percent ([***]%) of the Net Sales of the Combination.

1.110 "New Therapeutic Product" means any Inhaled Product or Research Product that is not a Rescue Therapeutic Product.

1.111 "Non-Governmental Organization" means any non-profit entity or voluntary citizens' group which is organized on a local, national or international level, for example see www.ngo.org, including BMGF.

1.112 "Party" or **"Parties"** has the meaning set forth in the preamble.

1.113 "Patents" means (a) pending patent applications, issued patents, utility models and designs; (b) reissues, substitutions, confirmations, registrations, validations, re-examinations, additions, continuations, continued prosecution applications, continuations-in-part, or divisions of or to any of the foregoing; and (c) extensions, renewals or restorations of any of the foregoing by existing or future extension, renewal or restoration mechanisms, including supplementary protection certificates or the equivalent thereof.

1.114 "Phase I Clinical Trial" means a Clinical Trial of a product in human subjects with the endpoint of determining initial tolerance, safety, immunogenicity or pharmacokinetic information in single dose, single ascending dose, multiple dose and/or multiple ascending dose regimens, which is prospectively designed to generate sufficient data (if successful) to commence a Phase II Clinical Study of such product, as further defined in 21 C.F.R. 312.21(a), as amended from time to time, or the corresponding foreign regulations.

1.115 "Phase II Clinical Trial" means a Clinical Trial of a product in human patients or subjects to determine immunogenicity, initial efficacy (if applicable) and dose range and/or regimen finding before commencing a Phase III Clinical Trial, as further defined in 21 C.F.R. 312.21(b), as amended from time to time, or the corresponding foreign regulations.

1.116 "Phase III Clinical Trial" means a pivotal Clinical Trial (whether or not denominated a "Phase III") of a product in human patients or subjects with a defined dose or a set of defined doses designed to ascertain efficacy and safety of such product for the purpose of enabling the preparation and submission of MAA to the competent Regulatory Authorities, as further defined in 21 C.F.R. 312.21(c), as amended from time to time, or the corresponding foreign regulations.

1.117 "PRINT" means Liquidia's proprietary micro or nano-fabrication process for producing particles and particles on a film of a predetermined size, shape and composition (generally known as PRINT® (Particle Replication In Nonwetting Template)), including all processes, systems and materials (including using molds but excluding making molds) for producing such particles and all Liquidia proprietary substances used in making any such particles. For the avoidance of doubt, PRINT does not include the particles or the particle formulations or PRINT Material generated using PRINT, or the PRINT Tooling.

1.118 "PRINT DMF" has the meaning set forth in Section 7.1.

1.119 "PRINT Improvements" means (a) any improvements or modifications to General Biological Effects; and/or (b) any Know-How to the extent related to PRINT or PRINT

Tooling made or generated using PRINT or PRINT Tooling in connection with the manufacturing of Research Materials, Liquidia Respiratory Product, Research Products or Inhaled Products, in each case of (a) and (b) made by GSK, its Affiliates or sublicensees (for clarity, including Third Party manufacturer) under this Agreement but outside the Inhaled Plan, as well as any Patents claiming or covering any of the foregoing, in all cases, Controlled by GSK, its Affiliates, sublicensees or Third Party manufacturers.

1.120 "PRINT Material" means a particle or a group of particles that is developed, manufactured or otherwise produced using PRINT and PRINT Tooling or otherwise developed, manufactured or produced using any Liquidia Technology whether such particle or group of particles is developed, manufactured or produced by Liquidia or GSK, or their Affiliates or sublicensees. For clarity, "particle(s)" may refer to the composition of the particles, including excipients that prevent degradation or provide stabilization to the particle(s), but specifically excludes and is not meant to encompass, any Research Products, Products or Research Materials.

1.121 "PRINT Tooling" means the Liquidia proprietary information, trade secrets, materials and substrates for fabricating the patterned drums (including the patterned drums themselves) and molds (excluding the molds themselves) that enable PRINT. For the avoidance of doubt, PRINT Tooling does not include the particles or any particle formulation, PRINT Material or PRINT.

1.122 "Product" means either an Inhaled Product(s) or the Liquidia Respiratory Product, as the context requires.

1.123 "Product Information" has the meaning set forth in Section 12.2(j).

1.124 "Product Infringement" has the meaning set forth in Section 11.6(a).

1.125 "Product Marks" has the meaning set forth in Section 11.9.

1.126 "Public Statement" has the meaning set forth in Section 14.4(c).

1.127 "Purpose" has the meaning set forth in Section 3.5(c)(i).

1.128 "Regulatory Approval" means all approvals (including MAA approval and supplements and amendments thereto and any required pricing approval), licenses, registrations or authorizations of any Governmental Authority necessary for the development or commercialization of the Liquidia Respiratory Product, a Research Product or Inhaled Product, including clinical testing, manufacture, distribution, use or sale of such Liquidia Respiratory Product, Research Product or Inhaled Product in a given regulatory jurisdiction.

1.129 "Regulatory Authority" means, in a particular country or jurisdiction, any applicable Governmental Authority involved in granting Regulatory Approval in such country or jurisdiction.

1.130 "Regulatory Exclusivity" means any exclusive marketing rights or data exclusivity rights conferred by any Governmental Authority with respect to a Product in a

country or jurisdiction, other than a Patent right, including orphan drug exclusivity, pediatric exclusivity, rights conferred in the U.S. under the Hatch-Waxman Act or the Biologics Price Competition and Innovation Act of 2009, or in the EU under Directive 2001/83/EC, or rights similar thereto in other countries or regulatory jurisdictions.

1.131 "Regulatory Materials" means regulatory applications, submissions, notifications, communications, correspondence, registrations, MAAs, Regulatory Approvals and/or other filings made to, received from or otherwise conducted with a Regulatory Authority in connection with the development or commercialization of a Research Product or Product in a particular country or jurisdiction.

1.132 "Remedial Action" has the meaning set forth in Section 7.5.

1.133 "Rescue Therapeutic Product" means any Inhaled Product or Research Product that contains GSK Material for which GSK had previously terminated development activities due to material safety, efficacy or formulation issues and for which development activities were reinitiated following the application of Liquidia Technology and/or Collaboration Know-How if PRINT or PRINT Materials are solely capable of solving such material safety, efficacy or formulation issues. Evidence of GSK's decision to terminate development as described above with respect to clinical stage assets will be as set forth in the minutes of the applicable GSK governance committee responsible for making the decision, and with respect to pre-clinical assets will be as set forth in GSK's iPLAN system.

1.134 "Research Materials" means any product that comprises or contains PRINT Material and GSK Material for use in the Inhaled Plan.

1.135 "Research Product" means any (a) product that is or is planned to be regulated under the FD&C Act on a prescription basis (or, with respect to drug products sold in jurisdictions other than the United States, that would be regulated under the FD&C Act on a prescription basis if sold in the United States) or (b) any drug product initially made available on a prescription basis as an Inhaled Product under this Agreement but later made available on a non-prescription or over-the-counter basis, in either case, that comprises or contains PRINT Material and GSK Material for use in Clinical Trials and other development activities in the Inhaled Field under this Agreement. For clarity, Research Product excludes Research Materials, Inhaled Products and any product that is intended for animal health use, diagnostic use or consumer health use.

1.136 "Respiratory Option Notice" has the meaning set forth in Section 4.1(c).

1.137 "Retained Field" has the meaning set forth in Section 5.9.

1.138 **"Retained Disease Field"** has the meaning set forth in the Vaccine Collaboration Agreement.

1.139 **"Reversion Royalty"** has the meaning set forth in Section 15.5(a)(i)(B).

1.140 **"ROFN Notice"** has the meaning set forth in Section 4.3.

Confidential treatment has been requested with respect to portions of this agreement as indicated by "[***]" and such confidential portions have been deleted and filed separately with the Securities and Exchange Commission pursuant to Rule 24b-2 of the Securities Exchange Act of 1934, as amended.

1.141 **"Royalty Purchaser"** has the meaning set forth in Section 17.5(c).

1.142 **"Royalty Term"** has the meaning set forth in Section 10.5(b).

1.143 **"Term"** has the meaning set forth in Section 15.1.

1.144 **"Territory"** means the whole world.

1.145 **"Third Party"** means any entity other than Liquidia or GSK or their respective Affiliates.

1.146 **"Third Party Agreements"** means the agreements listed on Exhibit B.

1.147 **"Transfer Record"** has the meaning set forth in Section 3.5(c)(i).

1.148 **"Transferring Party"** has the meaning set forth in Section 3.5(c)(i).

1.149 **"UNC License Agreement"** means the Amended and Restated License Agreement between Liquidia and The University of North Carolina at Chapel Hill (**"UNC"**), dated December 15, 2008, as amended.

1.150 **"UNC Material Transfer Agreement"** means the Material Transfer Agreement between Liquidia and UNC, dated August 16, 2007, as amended.

1.151 **"UNC Research Agreement"** means the Supported Research Agreement between Liquidia and UNC, dated September 1, 2005, as amended.

1.152 **"University Inventions"** has the meaning set forth in Section 8(a) of the UNC Research Agreement.

1.153 **"U.S."** means the United States of America, including all possessions and territories thereof.

1.154 "**Vaccine**" means a biological product containing an Antigen(s) that induces an Antigen-specific immune response intended to prevent or treat the target disease or condition after administration to a human through any route of delivery, including intramuscular, intradermal, sublingual, intranasal or oral delivery, but excluding delivery to the lung.

1.155 **"Vaccine Collaboration"** has the meaning set forth in the Vaccine Collaboration and Option Agreement, dated June 15, 2012, between Liquidia and GSK Bio (the **"Vaccine Collaboration Agreement"**).

1.156 **"Vaccine Collaboration Term"** has the meaning set forth in the Vaccine Collaboration Agreement.

1.157 **"Vaccine Option"** has the meaning set forth in the Vaccine Collaboration Agreement.

Confidential treatment has been requested with respect to portions of this agreement as indicated by "[***]" and such confidential portions have been deleted and filed separately with the Securities and Exchange Commission pursuant to Rule 24b-2 of the Securities Exchange Act of 1934, as amended.

1.158 **"Vaccine Option Period"** has the meaning set forth in the Vaccine Collaboration Agreement.

1.159 **"Vaccine Plan"** has the meaning set forth in the Vaccine Collaboration Agreement.

1.160 **"Valid Claim"** means a claim of any issued and unexpired Patent included within Liquidia Patents, Joint Inhaled Collaboration Patents or Joint Vaccine Collaboration Patents, which claim has not been revoked, held invalid or unenforceable by a patent office, court or other governmental agency of competent jurisdiction in a final and non-appealable judgment (or judgment from which no appeal was taken within the allowable time period) and which claim has not been disclaimed, denied or admitted to be invalid or unenforceable through reissue, re-examination or disclaimer or otherwise.

1.161 **Interpretation.** In this Agreement, unless otherwise specified:

(a) "includes" and "including" shall mean respectively includes without limitation and including without limitation;

(b) words denoting the singular shall include the plural and vice versa and words denoting any gender shall include all genders;

(c) words such as "herein", "hereof", and "hereunder" refer to this Agreement as a whole and not merely to the particular provision in which such words appear; and

(d) the Exhibits and other attachments form part of the operative provision of this Agreement and references to this Agreement shall include references to the Exhibits and attachments.

ARTICLE 2
GOVERNANCE

2.1 Joint Steering Committee. Within fifteen (15) days after the Effective Date, the Parties shall, together with GSK Bio (collectively referred to as the **"Committee Parties"**), establish a joint steering committee (the "**Joint Steering Committee**" or "**JSC**") to oversee the Collaboration Program. Each Committee Party agrees to keep the JSC informed of its progress and activities under the Collaboration Program as described in this Section 2.1 and Section 2.1 of the Vaccine Collaboration Agreement. The JSC shall cease to meet and its role under this Agreement shall end upon the later to occur of either the expiration of the Inhaled Collaboration Term or the Vaccine Collaboration Term (the **"JSC Term"**).

(a) Membership. The JSC shall consist of two (2) representatives of each of GSK and GSK Bio, and four (4) representatives of Liquidia, in each case that have sufficient seniority to make decisions arising within the scope of the JSC's responsibilities. Each Committee Party may replace any or all of its representatives on the JSC at any time upon written notice to the other Committee Parties in accordance with Section 17.3. Each Committee Party may, subject to the other Committee Parties' prior approval, invite non-member

representatives of such Committee Party to attend meetings of the JSC as non-voting participants, subject to the confidentiality obligations of Article 14. The Committee Parties shall designate a chairperson (each, a **"Chairperson"**) to oversee the operation of the JSC, each such Chairperson to serve a twelve (12) month term. The right to name the Chairperson shall alternate between the Committee Parties with GSK Bio designating the first such Chairperson. Chairpersons shall have no additional powers or rights beyond those held by other JSC members.

(b) Meetings. The first scheduled meeting of the JSC shall be held no later than forty-five (45) days after the Effective Date. Thereafter, prior to the expiration of the JSC Term, the JSC shall meet at least once each calendar quarter, and more or less frequently as the Committee Parties mutually deem appropriate, on such dates and at such places and times as provided herein or as the Committee Parties shall agree. Any Committee Party may also call a special meeting of the JSC by at least ten (10) Business Days prior written notice to the other Committee Parties in the event such Committee Party reasonably believes that a significant matter must be addressed prior to the next regularly scheduled meeting, and such Committee Party shall provide the other Committee Parties with materials reasonably adequate to enable an informed decision on such matter. Meetings of the JSC that are held in person shall alternate between the offices of the Committee Parties, or such other location as the Committee Parties may agree. The members of the JSC also may meet or be polled or consulted from time to time by means of telecommunications, video conferences, electronic mail or correspondence, as deemed necessary or appropriate. Prior to any JSC meeting, the Chairperson shall prepare and circulate an agenda for such meeting; provided, however, that any Committee Party may propose additional topics to be included on such agenda, either prior to or in the course of such meeting. Meetings of the JSC shall be effective only if at least two (2) representatives of each Committee Party are present or participating in such meeting. Each Committee Party will bear all expenses it incurs in regard to participating in all meetings of the JSC, including all travel and living expenses.

(c) Minutes. On an alternating basis among the Committee Parties, during the same 12 month term as each Chairperson, an Alliance Manager from a Committee Party other than the Committee Party of the Chairperson shall be responsible for preparing and circulating minutes of each meeting of the JSC, setting forth, *inter alia*, an overview of the discussions at the meeting and a list of any actions, decisions or determinations approved by the JSC and a list of any issues to be resolved by the Executive Officers pursuant to Section 2.1(e)(i). Such minutes shall be effective only after approved by all Committee Parties in writing. With the sole exception of specific items of the meeting minutes to which the members cannot agree and that are escalated to the Executive Officers as provided in Section 2.1(e)(i), definitive minutes of all JSC meetings shall be finalized no later than thirty (30) days after the meeting to which the minutes pertain.

(d) Responsibilities. The JSC shall serve as a forum to share Know-How and learnings from each of the Inhaled Collaboration and Vaccines Collaboration. Specifically, the JSC shall:

(i) provide oversight over the Collaboration Program and facilitate communication and discussion between the Committee Parties with respect to the Collaboration Program;

(ii) ensure that each of the JVRC and JIRC be kept informed of data and Know-How generated under each of the Inhaled Plan and Vaccines Plan, respectively, that may have broad applicability or usefulness to both the Vaccines Plan and Inhaled Plan;

(iii) review and approve amendments to the Inhaled Plan and Vaccines Plan and all associated budgets;

(iv) discuss and resolve any disputes relating to the Collaboration Program, including any disputed matter referred from the JVRC or JIRC;

(v) from time to time but no more often than quarterly during the JSC Term, in consultation with the JIRC, JVRC and JPC, discuss research that has been conducted by UNC and Consultant under the UNC Research Agreement, the UNC Material Transfer Agreement and the

Consulting Agreement in the Liquidia Respiratory Field, the Inhaled Field or Co-Delivery Vaccine Field, as well as outside the Liquidia Respiratory Field, the Inhaled Field or Co-Delivery Vaccine Field that is expected to relate to General Biological Effects, and review results, University Inventions and other inventions generated by all such research. Notwithstanding the foregoing, discussion of research shall occur more often than quarterly as required for GSK to review such research reasonably prior to publication thereof;

(vi) from time to time but no more often than quarterly during the JSC Term, in consultation with the JIRC, JVRC and JPC, review and approve any research to be conducted by Third Parties under agreements between Third Parties and UNC (which agreements may or may not include Liquidia as a party) using PRINT or PRINT Materials supplied by Liquidia in the Liquidia Respiratory Field, the Inhaled Field or Co-Delivery Vaccine Field, including the intellectual property provisions of such agreements, in accordance with Section 5.7;

(vii) from time to time but no more often than quarterly during the JSC Term, in consultation with the JIRC, JVRC and JPC, discuss research that has been conducted by Third Parties under agreements between Third Parties and UNC (which agreements may or may not include Liquidia as a party) using PRINT or PRINT Materials supplied by Liquidia outside the Liquidia Respiratory Field, the Inhaled Field or Co-Delivery Vaccine Field that is expected to relate to General Biological Effects, and review results and inventions generated by all such research, to the extent Liquidia becomes aware of such research results. Notwithstanding the foregoing, discussion of research shall occur more often than quarterly as required for GSK to review such research reasonably prior to publication thereof;

(viii) review and discuss manufacturing and supply requirements and obligations related to PRINT Materials, Research Materials and Research Products. Such discussion shall include matters related to any anticipated delay in manufacturing and supply of PRINT Materials and Research Materials, and the impact of such delay on the conduct of the Inhaled Plan or Vaccine Plan. The Parties shall also discuss whether such delay shall be addressed by an extension of the Inhaled Collaboration Term or Vaccine Collaboration Term or a manufacturing technology transfer as described in Section 5.2(c)(i); provided, that the technology transfer described in Section 5.2(c)(i) shall occur only if the Parties agree that such

transfer would be more likely to decrease the delay of conducting the Inhaled Plan or Vaccine Plan than allowing Liquidia to cure such delay in supply;

(ix) track expenses against agreed budgets as set forth in the Vaccine Plan and Inhaled Plan; and

(x) perform such other functions as agreed by the Parties in writing.

(e) Decision Making; Governance Principles.

(i) All decisions of the JSC shall be made by unanimous vote, with Liquidia's representatives collectively having one (1) vote and representatives of both GSK and GSK Bio collectively having one (1) vote. The JSC shall strive to seek consensus in its actions and decision making process. If after reasonable discussion and good faith consideration of each Party's view on a particular matter before the JSC, the representatives on the JSC cannot reach a unanimous decision on such matter within thirty (30) calendar days after such matter was raised to the JSC for resolution, then such disagreement shall be referred to the Executive Officers for resolution. If the Executive Officers cannot resolve such matter within thirty (30) calendar days after such matter has been referred to them, then (A) Liquidia's Executive Officer shall have the right to decide all matters relating to PRINT Tooling and the operational aspects of PRINT under this Agreement and the Development Supply Agreement; provided, that Liquidia's Executive Officer shall not have the right to decide matters related to GSK's choice of composition, size, and/or shape of the PRINT Material, quality issues of the PRINT Material, Research Materials or Research Products, or the quality or timing of delivery of such PRINT Material, Research Materials or Research Products (including a decrease in Liquidia's supply obligations), or matters related to the required manufacturing and scale-up deliverables set forth in the Inhaled Plan or Vaccines Plan, and (B) GSK's Executive Officer and/or GSK Bio's Executive Officer, as applicable to the matter under dispute, shall have the right to decide all other matters, in each case consistent with the terms of this Agreement and in good faith. Notwithstanding the foregoing, (1) unless otherwise agreed by the Parties, disputes relating to non-disclosure, non-use and maintenance of Confidential Information and determinations of material breach or interpretation of this Agreement shall not be subject to GSK and/or GSK Bio final decision-making authority and may be escalated to the dispute resolution process set forth in Article 16 and (2) disputes involving intellectual property issues within the purview of the JPC shall be resolved as provided in Section 2.4.

(ii) Each Party shall at all times exercise its final decision-making authority using reasonable scientific and business judgment, in compliance with applicable Laws, and in accordance with its obligations to use Commercially Reasonable Efforts. To the extent that GSK or GSK Bio, as the case may be, in exercising its final decision-making authority in accordance with the foregoing principles, determines that amendments are required to be made to the Inhaled Plan and/or Vaccine Plan, and such amendments would materially increase the scope of activities to be performed by Liquidia, then the Parties shall discuss such additional activities in good faith, and Liquidia will use Commercially Reasonable Efforts to accommodate such additional activities. If additional material financial or other resources are required to fulfil the increased scope of activities requested by GSK or GSK Bio, including funding for additional scale up or capital expenditures for Liquidia's manufacturing facilities,

then the Parties shall discuss the terms of sharing such additional financial resources, including the ability to credit GSK's additional scale up or capital expenditure costs against future manufacturing costs. If the Parties cannot agree on sharing of costs, then Liquidia shall not be obligated to perform the increased scope of activities requested by GSK or GSK Bio and GSK or GSK Bio shall not be obligated to provide additional funding for such increased scope of activities. For the avoidance of doubt, nothing herein is intended to prevent the JSC or GSK or GSK Bio (to the extent GSK or GSK Bio has final decision-making authority hereunder), as applicable, from (A) making non-material amendments to the Inhaled Plan or Vaccines Plan that do not impose on Liquidia additional material obligations, including financial obligations, or (B) making material amendments that are not related to the supply of PRINT

Material, do not require a technology transfer of PRINT or PRINT Tooling to GSK or a Third Party manufacturer, and for which GSK or GSK Bio assumes responsibility and cost.

2.2 Joint Inhaled Research Committee. Within fifteen (15) days after the Effective Date, the Parties shall establish a joint research committee (the "**Joint Inhaled Research Committee**" or "**JIRC**") to oversee the day-to-day implementation and operational aspects of the Inhaled Collaboration. Each Party agrees to keep the JIRC informed of its progress and activities under the Inhaled Collaboration. The JIRC shall cease to meet and its role under this Agreement shall end upon the expiration of the Inhaled Collaboration Term (the **"JIRC Term"**).

(a) Membership. The JIRC shall consist of three (3) Liquidia personnel and three (3) GSK therapeutic area experts or platform technology experts of sufficient seniority to make decisions arising within the scope of the JIRC's responsibilities. Each Party may replace any or all of its representatives on the JIRC at any time upon written notice to the other Party in accordance with Section 17.3. Each Party may, subject to the other Party's prior approval, invite non-member representatives of such Party to attend meetings of the JIRC as non-voting participants, subject to the confidentiality obligations of Article 14.

(b) Meetings. The first scheduled meeting of the JIRC shall be held no later than forty-five (45) days after the Effective Date. Thereafter, prior to the expiration of the JIRC Term, the JIRC shall meet at least once per calendar month, and more or less frequently as the Parties mutually deem appropriate, on such dates and at such places and times as provided herein or as the Parties shall agree. Either Party may also call a special meeting of the JIRC by at least ten (10) Business Days prior written notice to the other Party in the event such Party reasonably believes that a significant matter must be addressed prior to the next regularly scheduled meeting, and such Party shall provide the other Party with materials reasonably adequate to enable an informed decision on such matter. Meetings of the JIRC that are held in person shall alternate between the offices of the Parties, or such other location as the Parties may agree. The members of the JIRC also may meet or be polled or consulted from time to time by means of telecommunications, video conferences, electronic mail or correspondence, as deemed necessary or appropriate. Meetings of the JIRC shall be effective only if at least two (2) representatives of each Party are present or participating in such meeting. Each Party will bear all expenses it incurs in regard to participating in all meetings of the JIRC, including all travel and living expenses.

(c) Minutes. The JIRC members shall designate a secretary at each meeting (which may be the Alliance Manager if the Alliance Manager attends such meeting) who shall be

responsible for keeping minutes that record all decisions and all actions recommended or taken in reasonable detail. Such minutes shall be effective only after approved by the Parties in writing. With the sole exception of specific items of the meeting minutes to which the members cannot agree and that are escalated to the JSC as provided in Section 2.2(e), definitive minutes of all JIRC meetings shall be finalized no later than fifteen (15) days after the meeting to which the minutes pertain.

(d) Responsibilities. The JIRC shall:

(i) oversee the implementation of the Inhaled Plan in accordance with the applicable budget;

(ii) review and discuss Know-How generated by the Parties in the course of performing the Inhaled Plan, and report all Know-How, data and results to the JSC on a quarterly basis (or more frequently as requested by the JSC);

(iii) consult with the JSC and JPC on the matters set forth in Sections 2.1(d)(v), (vi) and (vii); and

(iv) prepare proposed amendments to the Inhaled Plan and budget and submit such amendments to the JSC for review and approval.

(e) Decision Making. All decisions of the JIRC shall be made by unanimous vote, with each Party's representatives collectively having one (1) vote. The JIRC shall strive to seek consensus in its actions and decision making process. If after reasonable discussion and good faith consideration of each Party's view on a particular matter before the JIRC, the representatives on the JIRC cannot reach a unanimous decision on such matter within ten (10) calendar days after such matter was raised for resolution by the JIRC, then either Party may, by written notice to the other, have such issue submitted to the JSC for resolution in accordance with Section 2.1.

2.3 Alliance Managers. Within fifteen (15) days after the Effective Date, each Party shall appoint and notify the other Party of the identity of a representative having the appropriate qualifications, including a general understanding of pharmaceutical research and development issues, to act as its alliance manager under this Agreement (the "**Alliance Manager**"). The Alliance Managers shall serve as the primary contact points between the Parties and be primarily responsible for facilitating the flow of information and otherwise promoting communication, coordination and collaboration between the Parties. Each Party may replace its Alliance Manager at any time upon written notice to the other Party. The Alliance Managers shall attend each meeting of the JSC as non-voting members. In addition to the foregoing, the Parties acknowledge that GSK Bio shall appoint an alliance manager under the Vaccine Collaboration Agreement (the **"GSK Bio Alliance Manager"**); provided, that the Alliance Manager appointed by GSK hereunder shall serve as the primary point of contact for Liquidia's Alliance Manager across both this Agreement and the Vaccine Collaboration Agreement; and provided, further that the GSK Bio Alliance Manager shall attend each meeting of the JSC as a non-voting member, which attendance may be in person, or via teleconference or videoconference as appropriate and shall be responsible for facilitating any in person meetings of the JSC at the GSK Bio facilities.

2.4 Joint Patent Committee. Within fifteen (15) days after the Effective Date, the Committee Parties shall establish a joint patent committee (the "**Joint Patent Committee**" or "**JPC**"). Each Committee Party shall designate one representative to serve on the JPC. The JPC shall be responsible for discussing material Patent issues and to allow the Committee Parties to provide input to each other regarding the strategy for prosecution, maintenance, enforcement and defense of Joint Inhaled Collaboration Know-How, Joint Inhaled Collaboration Patents, Joint Vaccine Collaboration Know-How and Joint Vaccine Collaboration Patents and Liquidia Technology, including with respect to Liquidia Patents licensed to Liquidia under the UNC License Agreement as further described in Section 11.7. The JPC shall be responsible for working together to achieve a robust Patent portfolio taking into consideration the Liquidia Patents, Joint Inhaled Collaboration Patents and Joint Vaccine Collaboration Patents. In addition, the JPC shall be responsible for consulting with the JIRC, JVRC and JSC on the matters set forth in Sections 2.1(d)(v), (vi) and (vii), and determining whether any Joint Inhaled Collaboration Know-How or Joint Vaccine Collaboration Know-How is independently related to General Biological Effects and has broad applicability to therapeutic uses outside of any vaccines applications and/or the Inhaled Field. Decisions of the JPC shall be made by consensus. In the event of an unresolved dispute at the JPC, after escalation to senior patent counsels of the Committee Parties, Liquidia shall have final decision-making authority over issues related to the prosecution of Liquidia Technology, and GSK and GSK Bio collectively would have final decision-making authority over all issues related to the prosecution of the Joint Inhaled Collaboration Patents and Joint Vaccine Collaboration Patents; provided that no Committee Party shall have the right to make the final decision with respect to determining whether any Joint Inhaled Collaboration Know-How or Joint Vaccine Collaboration Know-How is independently related to General Biological Effects and has broad applicability to therapeutic uses outside of any vaccines applications and the Inhaled Field (such dispute shall be resolved pursuant to Article 16).

2.5 Advisory Council. Upon expiration of the JSC Term and exercise by GSK of the Inhaled Option, the Committee Parties shall establish an advisory council (the **"Advisory Council"**) whose primary function shall be to continue to meet as reasonably required by GSK, but not more frequently than quarterly or as otherwise agreed by the Parties, to discuss issues related to the ongoing development of Research Products by GSK and GSK Bio (in the event the Vaccines Option has been exercised in accordance with the terms of the Vaccine Collaboration Agreement), as well as manufacture of PRINT Materials and Research Products under the Development Supply Agreement by Liquidia, if applicable. For the avoidance of doubt, the Advisory Council is intended to facilitate an ongoing exchange of scientific information and data between the Parties for the benefit of and to inform future plans for, GSK's and GSK Bio's development of Research Products under this Agreement and the Vaccine Collaboration Agreement, and is not intended to serve as a decision-making committee. Further, the Development Supply Agreement shall provide for additional committees as necessary or appropriate to ensure Liquidia's cooperation with GSK with respect to any applicable assessments conducted by GSK of Liquidia or its subcontractors' manufacturing facilities and GSK's control over the applicable supply chains for the Research Products.

2.6 Limitation on Committee Power. Each of the JSC, JIRC and JPC shall only have the powers expressly assigned to it in this Article 2, in Article 2 of the Vaccine

Collaboration Agreement and elsewhere in this Agreement and shall not have the authority to: (a) modify or amend the terms and conditions of this Agreement; (b) waive either Party's compliance with the terms and conditions of under this Agreement; or (c) determine any such issue in a manner that would conflict with the terms and conditions of this Agreement.

ARTICLE 3
INHALED COLLABORATION PROGRAM

3.1 General. Subject to the terms and conditions of this Agreement, the Parties desire to establish an exclusive collaboration that is focused on defined studies designed to explore the potential application of PRINT and GSK Materials selected by GSK in its sole discretion, in the Inhaled Field (the "**Inhaled Collaboration**").

3.2 Inhaled Plan. The Parties shall conduct the Inhaled Collaboration pursuant to a work plan (the "**Inhaled Plan**"), that sets forth specific activities to be pursued by each Party, including reasonably detailed timelines and budgets associated with such activities. Under the Inhaled Plan, Liquidia would be primarily responsible for generating PRINT Materials, generating Research Materials using PRINT Materials and GSK Materials, and scaling up its manufacturing capabilities, and GSK would be primarily responsible for *in vitro* and *in vivo* evaluation of the PRINT Materials and Research Materials in assays and preclinical models. As of the Effective Date, the Parties have agreed upon the initial Inhaled Plan and associated budget which is attached to this Agreement as Exhibit C. From time to time (at least on an annual basis), the JIRC shall update and prepare amendments to the then-current Inhaled Plan and associated budget and shall submit such amendments and budget to the JSC for review and approval. Once approved by the JSC, such revised Inhaled Plan and budget shall replace the prior applicable Inhaled Plan and budget. If the terms of an Inhaled Plan contradict, or create inconsistencies or ambiguities with, the terms of this Agreement, then the terms of this Agreement shall govern and control.

3.3 Inhaled Collaboration Term.

(a) Subject to the extensions provided in Sections 3.3(b) and (c), the term of the Inhaled Collaboration (the "**Inhaled Collaboration Term**") shall commence on the Effective Date and expire on the third (3rd) anniversary thereof.

(b) If delivery of PRINT Materials or Research Materials for the conduct of the Inhaled Plan as specified in the initial Inhaled Plan attached as Exhibit C does not occur within the first six (6) months after the Effective Date, and provided that Liquidia timely receives the necessary GSK Materials from GSK to make the Research Materials, then the Inhaled Collaboration Term shall be extended by the amount of time delivery is delayed past such six (6) month period.

(c) Subject to Section 3.3(b), the Inhaled Collaboration Term shall be automatically extended if (i) a delay in manufacturing and supply of PRINT Materials and Research Materials by Liquidia would have an adverse impact on the conduct of the Inhaled Collaboration, and (ii) the Parties mutually agree at the JSC that such delay is not likely to be remedied more quickly by a manufacturing technology transfer to a Third Party as described in

Section 5.2(c)(i). If the foregoing conditions are met, then the Inhaled Collaboration Term shall be extended by the amount of time delivery of PRINT Materials and Research Materials is delayed. For the avoidance of doubt, such delay shall not cause GSK to incur any additional FTE Costs or any other Collaboration Costs.

3.4 Collaboration Costs. GSK shall be responsible for Liquidia's FTE Costs, non-standard costs for lab supplies and manufacturing costs of PRINT Materials and Research Materials incurred solely in connection with the conduct of the Inhaled Plan (and not for activities outside of the conduct of the Inhaled Plan or in furtherance of Liquidia's collaborations with Third Parties) in accordance with the applicable budget (the **"Collaboration Costs"**). For clarity, manufacturing costs included in the Collaboration Costs shall not exceed [***] Dollars ($[***]) per single shift day for standard costs and shall not include any costs associated with capital expenditures for Liquidia's manufacturing facilities unless otherwise agreed by the Parties in accordance with Section 2.1(e)(ii). Notwithstanding anything to the contrary in this Agreement (including the Inhaled Plan and any revisions thereto), GSK shall fund no less than [***] Liquidia FTEs, but no more than [***] Liquidia FTEs to work on the Inhaled Collaboration per year. If the activities to be conducted under the Inhaled Plan require additional FTE support, then the JSC shall meet to discuss how to staff such additional activities, which may include contribution of GSK FTEs, at GSK's cost, to perform activities assigned to Liquidia. GSK shall reimburse Liquidia for the Collaboration Costs as set forth in Section 10.2. For the avoidance of doubt, GSK shall be responsible for all costs and expenses incurred by GSK to conduct the Inhaled Collaboration.

3.5 Conduct of Collaboration.

(a) Compliance with Laws; Animal Welfare. Each Party shall use Commercially Reasonable Efforts to carry out the activities assigned to it under the Inhaled Plan, and shall conduct such activities in good scientific manner and in compliance in all material respects with the principles set forth in the attached **Schedule 3.5** (to the extent such principles are applicable to the activities being conducted by that Party) and in compliance with all applicable Laws, including applicable national and international guidelines such as ICH and GLP. In addition to the foregoing, each Party shall at all times comply and shall ensure compliance by any of its subcontractors with the most current best practices for pharmaceutical companies for the proper care, handling and use of animals in pharmaceutical research and development activities, and with the "3R Principles" (reducing the number of animals used, replacing animals with non-animal methods whenever possible and refining the research techniques used), subject to the other Party's reasonable right of inspection, and will promptly and in good faith undertake reasonable corrective steps and measures to remedy the situation to the extent that any significant deficiencies are identified as a result of such inspection.

(b) Data Integrity. Each of the Parties acknowledges the importance of ensuring that the activities conducted under the Inhaled Plan are undertaken in accordance with the following good data management practices, and shall use Commercially Reasonable Efforts to ensure the following:

(i) data are being generated using sound scientific techniques and processes;

Confidential treatment has been requested with respect to portions of this agreement as indicated by "[***]" and such confidential portions have been deleted and filed separately with the Securities and Exchange Commission pursuant to Rule 24b-2 of the Securities Exchange Act of 1934, as amended.

(ii) data are being accurately and reasonably contemporaneously recorded in accordance with good scientific practices by personnel conducting research or development hereunder;

(iii) data are being analyzed appropriately without bias in accordance with good scientific practices; and

(iv) data and results are being stored securely and can be easily retrieved.

(c) Material Transfer.

(i) Other than as may be set forth in the Development Supply Agreement (as defined in Section 9.1), in order to facilitate activities of the Parties under the Inhaled Plan, either Party (referred to in this Section 3.5(c) as the **"Transferring Party"**) may provide to the other Party (referred to in this Section 3.5(c) as the **"Material Receiving Party"**) certain materials, PRINT Materials, GSK Materials, Research Materials or Research Products Controlled by the Transferring Party (such materials provided hereunder are referred to, collectively, as "**Materials**") for use by the Material Receiving Party in furtherance of its rights and the conduct of its obligations under the Inhaled Plan and, in the event GSK exercises either or both of the Liquidia Respiratory Option or Inhaled Option, in furtherance of its rights under the Liquidia Respiratory License or Inhaled License, as applicable (the **"Purpose"**). All transfers of such Materials by the Transferring Party to the Material Receiving Party shall be documented in writing (the **"Transfer Record"**) that sets forth the type and name of the Material transferred, the amount of the Material transferred, the date of the transfer of such Material and the Purpose.

(ii) Except as otherwise provided under this Agreement, all such Materials delivered by the Transferring Party to the Material Receiving Party shall remain the sole property of the Transferring Party, shall only be used by the Material Receiving Party in furtherance of the Purpose, and shall be returned to the Transferring Party upon the termination of this Agreement or upon the discontinuation of the use of such Materials (whichever occurs first). The Material Receiving Party shall not cause the Materials to be used by or delivered to or for the benefit of any Third Party without the prior written consent of the Transferring Party.

(iii) At the time the Transferring Party provides Materials to the Material Receiving Party as provided herein and to the extent not separately licensed under this Agreement, the Transferring Party hereby grants to the other Party a non-exclusive license under the Patents and Know-How Controlled by it to use such Materials solely for the Purpose.

(iv) The Parties agree that the exchanged Materials: (A) shall be used in compliance with applicable Laws; (B) shall not be used in animals intended to be kept as domestic pets; (C) shall not be transferred to a Third Party except if this is provided for and is done in accordance with this Agreement; and (D) shall not be reverse engineered or chemically analyzed, except if this is provided for in the applicable Inhaled Plan.

Confidential treatment has been requested with respect to portions of this agreement as indicated by "[***]" and such confidential portions have been deleted and filed separately with the Securities and Exchange Commission pursuant to Rule 24b-2 of the Securities Exchange Act of 1934, as amended.

(v) THE MATERIALS SUPPLIED BY THE TRANSFERRING PARTY UNDER THIS SECTION 3.5(c) ARE SUPPLIED "AS IS" AND NOT FOR USE IN HUMANS EXCEPT AS EXPRESSLY AGREED BY THE PARTIES IN WRITING, AND THE TRANSFERRING PARTY MAKES NO REPRESENTATIONS AND EXTENDS NO WARRANTIES OF ANY KIND, EITHER EXPRESS OR IMPLIED, INCLUDING WARRANTIES OF MERCHANTABILITY OR FITNESS FOR A PARTICULAR PURPOSE, OR THAT THE USE OF THE MATERIALS DOES NOT INFRINGE ANY PATENT, COPYRIGHT, TRADEMARK, OR OTHER PROPRIETARY RIGHTS OF A THIRD PARTY.

(vi) The Material Receiving Party assumes all liability for damages that may arise from its use, storage or disposal of the Materials. The Transferring Party shall not be liable to the Material Receiving Party for any loss, claim or demand made by the Material Receiving Party, or made against the Material Receiving Party by any Third Party, due to or arising from the use of the Materials, except to the extent such loss, claim or demand is caused by the gross negligence or willful misconduct of the Transferring Party.

3.6 Records and Reports. Until expiration of the JIRC Term, each Party shall provide written progress reports on the status of its activities under the Inhaled Plan, including detailed reports of data and Know-How arising from such activities, at least five (5) Business Days in advance of each JIRC meeting.

3.7 Subcontractors. Each Party shall have the right to engage subcontractors for the purpose of conducting activities assigned to it under the Inhaled Plan, provided that (a) the subcontractor undertakes in writing obligations of confidentiality and non-use regarding Confidential Information, that are substantially the same as those undertaken by the Parties pursuant to Article 14 hereof, and (b) the subcontractor agrees in writing to assign or otherwise grant exclusive, sublicensable rights to all intellectual property developed in the course of performing any such work under the Inhaled Plan to the Party retaining such subcontractor. Each Party shall remain responsible for any obligations under the Inhaled Plan that have been delegated or subcontracted to any subcontractor, and shall be responsible for the performance of its subcontractors.

3.8 Regulatory Matters. During the Inhaled Collaboration Term, GSK shall prepare, own and maintain all Regulatory Materials filed with Regulatory Authorities in the Territory in connection with the activities to be undertaken pursuant to the Inhaled Plan. As reasonably requested by GSK from time to time during the Inhaled Collaboration Term, Liquidia shall, at Liquidia's expense, promptly provide assistance to GSK with its filings and other interactions with Regulatory Authorities.

ARTICLE 4
OPTION RIGHTS; RIGHT OF FIRST NEGOTIATION

4.1 Liquidia Respiratory Option.

(a) During the Term, Liquidia has the right to develop the Liquidia Respiratory Product, and GSK shall have the right, but not the obligation, to contribute to the development of the Liquidia Respiratory Product as may be agreed by the Parties.

Confidential treatment has been requested with respect to portions of this agreement as indicated by "[***]" and such confidential portions have been deleted and filed separately with the Securities and Exchange Commission pursuant to Rule 24b-2 of the Securities Exchange Act of 1934, as amended.

(b) Subject to the terms and conditions of this Agreement, Liquidia hereby grants to GSK an exclusive option, exercisable at GSK's sole discretion, to obtain the Liquidia Respiratory License described in Section 5.2(a) (the "**Liquidia Respiratory Option**").

(c) At such time as (i) Liquidia has compiled a data package for the Liquidia Respiratory Product sufficient to present to prospective licensees, or (ii) at GSK's written request, Liquidia shall present to GSK via the JSC such data package referred to in (i) above, or if (ii) is applicable, then Liquidia shall present to GSK a data package for the Liquidia Respiratory Product that contains all relevant material information and data reasonably requested by GSK at such time (for clarity, Liquidia shall not be required to provide GSK with PRINT Tooling). Thereafter, GSK may exercise the Liquidia Respiratory Option by providing written notice to Liquidia at any time before or upon the expiration of the Inhaled Collaboration Term (the "**Respiratory Option Notice**").

(d) If the Respiratory Option Notice is not provided by GSK before or upon the expiration of the Inhaled Collaboration Term, then: (i) the Liquidia Respiratory Option shall expire, and (ii) Liquidia shall have the right, in its discretion, to continue the development and commercialization of the Liquidia Respiratory Product, either on its own or in collaboration with a Third Party, with no further obligations to GSK.

4.2 Inhaled Option.

(a) Subject to the terms and conditions of this Agreement, Liquidia hereby grants to GSK an exclusive option, exercisable at GSK's sole discretion, to obtain the Inhaled License described in Section 5.2(b) (the "**Inhaled Option**").

(b) GSK may exercise the Inhaled Option by providing written notice to Liquidia (the "**Inhaled Option Notice**") at any time before or upon the date that is six (6) months after the expiration of the Inhaled Collaboration Term and receipt by GSK of all the final data and results generated by or on behalf of Liquidia under the Inhaled Collaboration (the "**Inhaled Option Period**").

(c) If the Inhaled Option Notice is not received by Liquidia before or upon the expiration of the Inhaled Option Period, then: (i) the Inhaled Option shall expire, (ii) each Party shall have the right to practice and/or license the Joint Inhaled Collaboration Know-How as joint owner, without any requirement of gaining the consent of, or accounting to, the other Party, (iii) each Party shall provide the other Party with copies of all Joint Inhaled Collaboration Know-How generated in the course of performing the Inhaled Plan not already in the receiving Party's possession.

(d) Notwithstanding anything to the contrary herein, if GSK exercises the Inhaled Option, then each Party shall thereafter have the right to practice and/or license its interests in the Joint Inhaled Collaboration Know-How outside the Inhaled Field (but not in the Exercised Disease Fields, if the Vaccine Option has been exercised under the terms of the Vaccine Collaboration Agreement) as joint owner, without any requirement of gaining the consent of, or accounting to, the other Party.

4.3 Right of First Negotiation. If during the Inhaled Option Period and/or Vaccines Option Period, Liquidia desires to grant a non-exclusive license to its interest in the Joint Inhaled Collaboration Know-How or Joint Vaccines Collaboration Know-How as described in Section 11.4(b)(iii), then it shall first notify GSK and GSK Bio of such desire in writing, describing in reasonable detail the scope of the license it is interested in granting to a Third Party from whom Liquidia has received a term sheet or letter of intent (the **"ROFN Notice"**) and GSK and/or GSK Bio thereafter shall have the exclusive right of first negotiation to obtain an exclusive, worldwide, sublicensable license to Liquidia's interest in the Joint Inhaled Collaboration Know-How or Joint Vaccines Collaboration Know-How, as applicable, and any other intellectual property rights (which may include Liquidia Technology) then controlled by Liquidia that are necessary or reasonably useful for the making, having made, use, sale, offering for sale or importation of products in the applicable field (i.e. a field outside vaccines applications and/or the Inhaled Field). GSK or GSK Bio shall have thirty (30) days from the receipt of the ROFN Notice to inform Liquidia in writing of its election to negotiate the terms of such exclusive license, and another thirty (30) days to submit to Liquidia an initial proposal for the terms of such exclusive license. If GSK or GSK Bio delivers such notice during the first thirty (30) day period and submits the initial proposal within the second thirty (30) day period, Liquidia shall negotiate exclusively in good faith with GSK or GSK Bio, for a period not to exceed six (6) months from GSK's or GSK Bio's receipt of the ROFN Notice (the **"Negotiation Period"**), the terms under which Liquidia will grant such exclusive license to GSK or GSK Bio. If GSK or GSK Bio and Liquidia fail to reach a binding written agreement for the exclusive license by the end of the Negotiation Period, then Liquidia shall be free to negotiate with any Third Party for a non-exclusive license within the same applicable field that was the subject of negotiations with GSK or GSK Bio, and to grant such non-exclusive license to any Third Party; provided, that if Liquidia grants such non-exclusive license to a Third Party within nine (9) months after the expiration of Negotiation Period, then the terms of such Third Party license shall be no less favorable to Liquidia than the terms last proposed by GSK or GSK Bio to Liquidia. Notwithstanding anything to the contrary, the licenses that Liquidia may grant to a Third Party in a particular proposed field include Joint Inhaled Collaboration Know-How or Joint Vaccines Collaboration Know-How, as the case may be, that arises during the Inhaled Collaboration Term or Vaccine Collaboration Term, as the case may be, including after the date of the ROFN Notice, and all such Joint Inhaled Collaboration Know-How or Joint Vaccines Collaboration Know-How (including any Joint Inhaled Collaboration Know-How or Joint Vaccines Collaboration Know-How that arises after the expiration of Negotiation Period) shall be thereafter excluded from and not subject to this Section 4.3 as to the particular field proposed to GSK. Further, each time Liquidia desires to grant a non-exclusive license to the Joint Inhaled Collaboration Know-How or Joint Vaccines Collaboration Know-How in a different field than previously proposed to GSK in the right of first negotiation described in this Section 4.3, either to the same Third Party or a different Third Party, then such additional license in a different field shall first be offered to GSK or GSK Bio on the terms set forth above. Subject to Section 4.4 below, Liquidia shall be free to grant non-exclusive licenses to its interest in the Joint Inhaled Collaboration Know-How or Joint Vaccine Collaboration Know-How outside the field of prescription pharmaceutical drugs, products sold on an over-the-counter basis after switching from a prescription basis, or biological products (including biosimilar products) at any time, and the right of first negotiation described in this Section 4.3 shall only apply in the field of prescription pharmaceutical products, pharmaceutical products sold on an over-the-counter basis after switching from a prescription

basis, or vaccine or biological products (including biosimilar products). For purposes of this Section 4.3, "biological products" means any products that cause a biological effect in humans, including, for example, vaccines, monoclonal antibodies and cytokines.

4.4 Consumer Health and Diagnostics. During the Inhaled Option Period and/or Vaccines Option Period, Liquidia shall have the right to grant a non-exclusive license to its interests in the Joint Inhaled Collaboration Know-How or Joint Vaccines Collaboration Know-How as described in Section 11.4(b)(iii) for use in the consumer healthcare field or diagnostic field; provided, that it shall first notify GSK and GSK Bio of such desire in writing, describing in reasonable detail the scope of the license it is interested in granting to a Third Party.

ARTICLE 5
LICENSES

5.1 Collaboration License Under Liquidia Technology. Subject to the terms and conditions of this Agreement, Liquidia hereby grants to GSK a non-exclusive, worldwide, sublicensable license, under the Liquidia Technology for the sole purpose of carrying out GSK's obligations and research rights under the Inhaled Plan, which license shall become effective on the Effective Date and shall expire upon the earlier of the expiration of the Inhaled Collaboration Term (as may be extended under Section 3.3) or GSK's exercise of the Inhaled Option. The license grant in this Section 5.1 will include the right to have made Research Materials as further described in Section 5.2(c)(i).

5.2 Development and Commercial Licenses.

(a) Liquidia Respiratory License. Upon GSK's exercise of the Liquidia Respiratory Option pursuant to Section 4.1(c) and subject to the terms and conditions of this Agreement, Liquidia shall be deemed to have granted and hereby grants to GSK an exclusive, worldwide, royalty bearing license, with the right to grant sublicenses solely as provided in Section 5.4, under the Liquidia Technology and Liquidia's interest in and to Joint Inhaled Collaboration Patents and Joint Inhaled Collaboration Know-How and Liquidia's interest in and to Joint Vaccine Collaboration Know-How and Joint Vaccine Collaboration Patents to make, have made, use, sell, offer for sale and import the Liquidia Respiratory Product in the Liquidia Respiratory Field in the Territory (the "**Liquidia Respiratory License**").

(b) Inhaled License. Upon GSK's exercise of the Inhaled Option pursuant to Section 4.2(b) and subject to the terms and conditions of this Agreement, Liquidia shall be deemed to have granted and hereby grants to GSK an exclusive, worldwide, royalty bearing license, with the right to grant sublicenses solely as provided in Section 5.4, under the Liquidia Technology, Liquidia's interest in and to Joint Inhaled Collaboration Patents and Joint Inhaled Collaboration Know-How and Liquidia's interest in and to Joint Vaccine Collaboration Know-How and Joint Vaccine Collaboration Patents to make, have made, use, sell, offer for sale and import Research Products and Inhaled Products (which, for clarity, excludes the Liquidia Respiratory Product) in the Inhaled Field in the Territory (the **"Inhaled License"**).

(c) Additional License Terms. Notwithstanding anything to the contrary herein, the use of the terms "have made" and "make" in the license granted to GSK under

Section 5.1, as well as the Liquidia Respiratory License in Section 5.2(a) and the Inhaled License in Section 5.2(b), shall be subject to the additional terms and restrictions set forth below.

(i) GSK's license under Section 5.1 to "have made" Research Materials shall be limited to the right to engage a Third Party reasonably acceptable to Liquidia to make Research Materials using PRINT molds supplied by Liquidia (including the right to manufacture PRINT Material) if Liquidia cannot fulfill its obligation to supply Research Materials under Section 9.1(a); provided, that such Third Party shall not have the right to use or access PRINT Tooling unless Liquidia also fails to supply PRINT molds as described above, in which case, Liquidia also shall provide PRINT Tooling to such Third Party. In addition, the foregoing right to "have made" shall apply only when the Parties reasonably agree, based on discussion at the JSC as described in Section 2.1(d)(viii), that engagement of a Third Party as described above is more likely to decrease the delay of conducting the Inhaled Plan due to lack of supply of PRINT Materials and Research Materials than allowing Liquidia to cure such inability to supply.

(ii) GSK's right to "make" and "have made" Liquidia Respiratory Product, Research Products and Inhaled Products as set forth in Sections 5.2(a) and (b) shall be limited as follows:

(A) after exercise of the Liquidia Respiratory Option or Inhaled Option, as applicable, GSK shall have the right to make, and to engage a Third Party reasonably acceptable to Liquidia to make, the Liquidia Respiratory Product or Research Products, as applicable, using PRINT molds supplied by Liquidia (including the right to manufacture PRINT Material), if Liquidia cannot or does not supply PRINT Materials or Research Products in accordance with an agreed Development Supply Agreement, as required for GSK to develop the Liquidia Respiratory Product or Research Products; provided that GSK and such Third Party shall not have access to or the right to use PRINT Tooling under this Section 5.2(c)(ii)(A), subject to Section 5.2(c)(ii)(B);

(B) after exercise of the Liquidia Respiratory Option or Inhaled Option, as applicable, GSK shall have the right to make, and to engage a Third Party reasonably acceptable to Liquidia to make, the Liquidia Respiratory Product or Research Products, as applicable, using PRINT and PRINT Tooling if either (1) the conditions of Section 5.2(c)(ii)(A) are met and Liquidia does not or cannot supply PRINT molds as set forth in Section 5.2(c)(ii)(A), or (2) the Parties cannot agree to the terms of a Development Supply Agreement; and

(C) after exercise of the Liquidia Respiratory Option or Inhaled Option, as applicable, and either (1) failure of Liquidia to fulfill its obligations under the Commercial Supply Agreement described in Section 9.2, including manufacture in accordance with GMP and GSK's quality standards, (2) the Parties' inability to agree on commercially reasonable terms of a Commercial Supply Agreement, or (3) GSK's assessment, in its sole discretion, that Liquidia shall not be GSK's supplier (in which case no Commercial Supply Agreement will be entered into between GSK and Liquidia), then, in each case, GSK shall have the right to make, and to engage a Third Party to make the Liquidia Respiratory Product, Research Products or Inhaled Products, as applicable, using PRINT and PRINT Tooling

(including the right to manufacture PRINT Material) for development of Research Products that require commercial grade supply or for development and commercialization of Inhaled Products.

5.3 Liquidia Retained Rights. Notwithstanding the licenses granted to GSK in Sections 5.1 and 5.2 above, and to GSK Bio in Sections 5.1 and 5.2 of the Vaccine Collaboration Agreement, Liquidia retains the following: (a) the right to practice the Liquidia Technology to exercise its rights or to fulfill its obligations under this Agreement and the Vaccine Collaboration Agreement; and (b) the exclusive right to practice and license the Liquidia Technology outside the scope of the rights granted to GSK in this Agreement and GSK Bio in the Vaccine Collaboration Agreement.

5.4 Sublicense Rights.

(a) GSK shall have the right to grant sublicenses of the licenses granted in Section 5.2 to its Affiliates (for so long as such entity remains an Affiliate) or Third Parties. GSK shall remain responsible for all of its sublicensees' activities and any and all failures by its sublicensees to comply with the applicable terms of this Agreement.

(b) GSK shall promptly notify Liquidia of any material sublicense to a Third Party and provide Liquidia with a true and complete copy of such sublicense agreement; provided, that GSK shall be permitted to redact all financial information from such sublicense agreement and each such sublicense agreement will be considered the Confidential Information of GSK. Each such sublicense agreement shall be consistent with the terms and conditions of this Agreement and shall include the following terms and conditions:

(i) the sublicensee shall be bound by and subject to all applicable terms and conditions of this Agreement in the same manner and to the same extent as GSK is bound thereby; and

(ii) GSK and Liquidia shall have the same rights, ownership and/or licenses to all Know-How generated by such sublicensee to the same extent as if such Know-How was generated by GSK.

5.5 Licenses Under GSK Technology. Subject to the terms and conditions of this Agreement, GSK hereby grants to Liquidia (a) a non-exclusive, worldwide license, under GSK Technology for the sole purpose of carrying out Liquidia's obligations under the Inhaled Plan, which license shall become effective on the Effective Date and shall expire upon the expiration of the Inhaled Collaboration Term; and (b) a non-exclusive, worldwide license, with the right to grant sublicenses through multiple tiers, under the PRINT Improvements for uses outside the Exercised Fields. In the event that Liquidia or its Affiliates or sublicensees sells any product that utilizes PRINT Improvements licensed to Liquidia, then GSK shall be entitled to receive a royalty of [***] percent ([***]%) of net sales of such products sold by or on behalf of Liquidia, and [***] percent ([***]%) of any payments (including royalties, fees and milestones) received by Liquidia from its sublicensees on the sale of any such product, on a country-by-country basis, commencing upon the First Commercial Sale of such product in any country and expiring upon the date that is ten (10) years after the First Commercial Sale of the product in such country. Thereafter, the license granted by GSK under Section 5.5(b) shall continue and become

perpetual, royalty free and fully paid. In addition, if it is necessary for Liquidia to obtain a license from a Third Party in order to practice the PRINT Improvements in order to sell such product, then the payment due to GSK shall be reduced by an amount equal to [***] percent ([***]%) of the license payments paid by Liquidia to such Third Party pursuant to such license on account of such sale; and provided further that, in no event shall the amount due to GSK be reduced to less than [***] percent ([***]%) of the payment otherwise due to GSK on such sale in any particular calendar quarter, and Liquidia shall have the right to carry forward to subsequent calendar quarters any Third Party payment deductions that Liquidia is unable to deduct.

5.6 No Implied Licenses. Except as explicitly set forth in this Agreement, neither Party shall be deemed by estoppel or implication to have granted the other Party any option, license or other right to any intellectual property right of such Party. Neither Party shall, nor permit any of its Affiliates or sublicensees to, practice any intellectual property rights licensed to it by the other Party outside the scope of the licenses granted to it under this Agreement.

5.7 UNC and Third Party Agreements.

(a) GSK acknowledges and agrees that it has received an unredacted copy of the UNC License, UNC Research Agreement and UNC Material Transfer Agreement, as well as a partially redacted copy of the Consulting Agreement. GSK further acknowledges that Liquidia has the right to extend the term of the UNC Research Agreement to enable UNC to conduct further research under the applicable Research Program (as defined in the UNC Research Agreement), subject to the conditions set forth in this Agreement. Any and all research to be conducted by UNC or by the Consultant under the Research Program, under the UNC Material Transfer Agreement or under the Consulting Agreement that would otherwise be within the Inhaled Field or Co-Delivery Vaccine Field shall be discussed at the JSC as provided in Section 2.1 (for so long as the JSC is in existence, and thereafter the Parties shall discuss between them or at the Advisory Council as reasonably required), and Liquidia shall acquire an exclusive license to any and all University Inventions, inventions made under the UNC Material Transfer Agreement and inventions made under the Consulting Agreement, that are necessary or useful in the Inhaled Field or Co-Delivery Vaccine Field (including inventions that fall outside the Inhaled Field or Co-Delivery Vaccine Field but are related to General Biological Effects). Liquidia shall not authorize or enable any Third Party (other than UNC) to conduct research using PRINT or PRINT Materials in the Inhaled Field or Co-Delivery Vaccine Field, and shall ensure that UNC and the Consultant do not enable a Third Party (other than UNC) to conduct research using PRINT or PRINT Materials in the Inhaled Field or Co-Delivery Vaccine Field, in either case, without the prior written consent of GSK. If UNC or Consultant desires to enter into an agreement with a Third Party relating to PRINT or PRINT Materials outside the Inhaled Field or Co-Delivery Vaccine Field, then, unless GSK and Liquidia mutually determine otherwise, Liquidia shall obtain a non-exclusive, sublicensable, royalty free license to any inventions made by such Third Party under such agreement prior to Liquidia giving consent for UNC or Consultant to enter into such Third Party agreement. Upon GSK's request, Liquidia shall use Commercially Reasonable Efforts to acquire an exclusive license to inventions arising from research conducted by Third Parties outside the Inhaled Field and Co-Delivery Vaccine Field, if such inventions are related to General Biological Effects. Any University Inventions or Third Party inventions or inventions covered by the Consulting Agreement or UNC Material Transfer

Agreement for which Liquidia obtains ownership or Control as described in this Section 5.7 (including control through a non-exclusive sublicenseable license), and that are Liquidia Know-How or are encompassed within Liquidia Patents shall be, and are, automatically included in the Inhaled License or Liquidia Respiratory License to the extent the Inhaled Option or Liquidia Respiratory Option, respectively, has been exercised by GSK, without further action by the Parties or payment by GSK. GSK hereby acknowledges and agrees that GSK's rights to some such inventions arising from UNC Third Party research activities may be limited to non-exclusive rights.

5.8 Liquidia Technology Transfer. Promptly following the exercise of the Liquidia Respiratory Option and/or Inhaled Option, as the case may be, and no later than ninety (90) days following such exercise, to the extent not previously transferred and delivered to GSK, Liquidia shall transfer and deliver to GSK, Liquidia Technology and Joint Inhaled Collaboration Know-How and Joint Vaccine Collaboration Know-How in its Control, to enable GSK to practice under the Liquidia Respiratory License and/or Inhaled License as contemplated under this Agreement; provided, that transfer, if any, of PRINT, PRINT Tooling and Know-How covering the manufacture by or on behalf of GSK of PRINT Material, Research Materials, Research Products, Inhaled Products and the Liquidia Respiratory Product pursuant to Article 9 and Section 5.2 shall be governed by Section 9.3 and not by this Section 5.8. After the transfer described above, Liquidia shall use Commercially Reasonable Efforts to cooperate with GSK to provide GSK with any additional Liquidia Technology, to the extent not previously transferred and delivered to GSK, to which Liquidia obtains Control as it may be developed, identified or exist and

that is included within the scope of the Liquidia Respiratory License or Inhaled License, as the case may be. Costs of technology transfers under this Section 5.8 shall be borne by Liquidia.

5.9 Data Exchange in Absence of Option Exercise. In the event that GSK exercises one of, but not both, the Inhaled Option or the Liquidia Respiratory Option under this Agreement, then GSK shall promptly provide Liquidia with copies of Joint Inhaled Collaboration Know-How that is not already in its possession and Liquidia shall have the right to use and reference all such Joint Inhaled Collaboration Know-How in the Retained Field. **"Retained Field"** means the Liquidia Respiratory Field if the Liquidia Respiratory Option is not exercised by GSK or the Inhaled Field if the Inhaled Option is not exercised by GSK.

ARTICLE 6
PRODUCT DEVELOPMENT

6.1 General. After the exercise of the Liquidia Respiratory Option or the Inhaled Option, as applicable, GSK shall be solely responsible for the continued development of the Liquidia Respiratory Product or Research Products in the applicable Exercised Field, at GSK's cost and expense, subject to the supply by Liquidia of GSK's requirements for PRINT Materials, Liquidia Respiratory Product and/or Research Products as set forth in Section 9.1(b).

6.2 Diligence. After the exercise of the Inhaled Option or Liquidia Respiratory Option, as applicable, GSK shall use Commercially Reasonable Efforts to develop and seek Regulatory Approval in the Territory, for the Liquidia Respiratory Product and Research Products in the applicable Exercised Field(s). Without limiting the foregoing, if GSK exercises the Inhaled Option and fails to initiate any Clinical Trial on at least [***] Research Product in

the Inhaled Field within six (6) years after the Effective Date (such event, a "**Development Delay**"), GSK shall provide Liquidia with a written explanation of the Development Delay for the applicable Research Products. If the Development Delay was not caused solely or primarily for valid scientific reasons (which would include issues with respect to safety and efficacy as well as delays due to feedback from Regulatory Authorities, whether related to the PRINT Material used in the Research Product or the GSK Material contained in the Research Product), then Liquidia shall have the right, but not the obligation, to convert the Inhaled License to a non-exclusive license upon written notice to GSK; provided, that conversion of the Inhaled License to non-exclusive shall be Liquidia's sole and exclusive remedy in the event of a Development Delay and Liquidia shall not have the right to terminate this Agreement in accordance with Section 15.3; and provided, further that if the Development Delay is caused by the failure of Liquidia or its contract manufacturer to provide GSK with its required supply of PRINT Materials or Research Products then Liquidia shall not have the right to convert the Inhaled License to non-exclusive. In addition, and notwithstanding anything to the contrary, GSK's obligation to use Commercially Reasonable Efforts is agreed by the Parties to be dependent upon GSK's timely receipt of GSK's requirements of viable PRINT Materials or Research Products that meet all applicable specifications agreed to by the Parties and/or Liquidia's third party contract manufacturer. Any failure to timely deliver PRINT Materials or Research Products to GSK as described above by Liquidia or a third party contract manufacturer, and any subsequent delays or modifications to GSK's development plans with respect to any Research Product resulting from such failure to supply shall not be deemed to be GSK's failure to use Commercially Reasonable Efforts under this Section 6.2.

6.3 Development Records and Reports. GSK shall maintain complete, current and accurate records of all development activities conducted by it hereunder, and all data and other Know-How resulting from such activities in accordance with the principles set forth in Section 3.5(b) and 3.6. Upon expiration of the JSC Term, at Liquidia's request, which request shall not be made more frequently than annually until such earlier time as GSK either files the first NDA for a particular Research Product or ceases development of a particular Research Product, GSK shall provide Liquidia with written reports summarizing the material activities of GSK with respect to the development of such Research Product in the Territory, to enable Liquidia to determine GSK's compliance with its diligence obligations hereunder; provided, that GSK shall not be required to provide any confidential or proprietary information regarding any GSK Material, whether owned by GSK or licensed to GSK by a Third Party. If Liquidia has any questions with respect to the information set forth in any report provided by GSK under this Section 6.3, then Liquidia shall direct such questions to GSK's Alliance Manager and GSK shall make reasonably available to Liquidia appropriate technical or scientific personnel who are knowledgeable about the development activities conducted by GSK with respect to the Research Products that are the subject of the report, to respond to such questions in a timely manner, via teleconference, in person or such other mode of communication as the Parties may mutually agree, subject always to the proviso set forth in the preceding sentence.

ARTICLE 7
REGULATORY MATTERS

7.1 Regulatory Responsibilities.

(a) GSK Responsibilities. After the exercise of the Liquidia Respiratory Option or the Inhaled Option, GSK shall be solely responsible, at its expense, for preparing, filing and maintaining Regulatory Materials for the Research Products and Products. GSK shall own all Regulatory Materials for the Research Products and Products.

(b) Liquidia Responsibilities. Notwithstanding the foregoing, (i) to the extent applicable in the event that Liquidia is responsible for the manufacture and supply of the PRINT Materials and the same PRINT Material is used in more than one Research Product or Products, Liquidia shall be responsible, at its cost, for the preparation, filing and maintenance of the Drug Master File(s) related to PRINT and PRINT Materials (the **"PRINT DMF"**), and GSK shall be permitted to review and cross-reference the PRINT DMF in its Regulatory Materials and filings for Research Products and Products, and (ii) in the event that filing of a PRINT DMF is not applicable, Liquidia shall make available to GSK all required chemistry, manufacturing and controls (**"CMC"**) data, at Liquidia's cost, related to PRINT and PRINT Materials required for filing with the applicable Regulatory Authorities in connection with the Research Products and Products, and GSK shall use such CMC data solely for such purpose in accordance with the terms and conditions of this

Agreement including the scope of the license grant. At Liquidia's reasonable request, GSK shall provide Liquidia, at GSK's cost, with all required assistance with respect to the preparation, filing and maintenance of the PRINT DMF that GSK intends to cross-reference. Liquidia shall keep GSK informed of any changes to the PRINT DMF (or CMC data in the event that PRINT DMF is not applicable) to enable GSK to update its Regulatory Materials and filings related to Research Products and Products in a timely manner. To the extent either Party receives communications and/or responses from any Regulatory Authority with respect to the PRINT DMF or CMC data, such Party shall inform and consult with the other Party with respect to such communications and responses, and to the extent permitted by applicable Laws, the other Party shall be permitted to attend as an announced but silent observer, any meetings between such Party and Regulatory Authorities that are related to the PRINT DMF or CMC data as they relate to Research Product or Products.

7.2 Regulatory Matters. GSK shall keep Liquidia reasonably informed of all material regulatory developments relating to the safety of the PRINT Materials used in the Research Products or Products, shall promptly notify Liquidia each time the PRINT DMF is cross-referenced by GSK in its Regulatory Filings, and shall provide Liquidia with copies of the portion of such Regulatory Filing that is related to the safety of the PRINT Materials or the PRINT DMF. In addition, GSK shall promptly notify Liquidia of the filing of MAAs and receipt of Regulatory Approvals in the United States, any Major EU Market and Japan. Each Party shall provide the other Party with reasonable advance notice of all material meetings and planned discussions scheduled with the FDA or EMA concerning a Research Product or Product that are expected to relate to the safety of the PRINT Materials or PRINT DMF, and each Party shall provide the other Party with all reasonable assistance, at the other Party's request and at the providing Party's cost, with respect to the other Party's preparation for such meeting or discussion within a reasonable timeframe any technical information related to PRINT or the PRINT Material used in the applicable Research Product or Product that would be necessary or useful to such meeting or discussion. Each Party shall consider in good faith any input from the other Party in preparing for such meetings or discussions. To the extent permitted by applicable Laws, the other Party shall have the right to attend as an announced but silent observer any such

meetings or discussions solely to the extent relevant to the safety of PRINT Materials or PRINT DMF. If the other Party does not attend such meetings or discussions, such Party shall provide the other Party with written summaries of such meetings or discussions with respect to the safety of PRINT Materials or PRINT DMF as soon as practicable after the conclusion thereof.

7.3 Notification of Threatened Action. Except as provided in Section 7.4, GSK or Liquidia, as the case may be, shall immediately notify the other Party of any information it receives regarding any threatened or pending action, inspection or communication by or from any Third Party, including a Regulatory Authority, which may materially affect the development, commercialization or regulatory status of any Research Product or Product, or which may materially affect PRINT, PRINT Tooling or the PRINT Material. Upon receipt of such information, the Parties shall consult with each other in an effort to coordinate, to the extent reasonably necessary on appropriate action.

7.4 Adverse Event Reporting. If GSK exercises the Inhaled Option or Liquidia Respiratory Option, then GSK and Liquidia shall enter into a written pharmacovigilance agreement prior to GSK commencing the first Phase I Clinical Trial with the Liquidia Respiratory Product or the first Research Product, as the case may be, setting forth mutually acceptable guidelines and procedures for the receipt, investigation, recordation, and communication of adverse events and safety data that relate to the PRINT Material. Such guidelines and procedures shall be in accordance with, and enable the Parties to fulfill, each Party's reporting obligations under applicable Laws. Each Party shall comply with its respective obligations under such pharmacovigilance agreement and shall cause its Affiliates and permitted sublicensees to comply with such obligations. GSK shall be responsible for creating and maintaining a global safety database for each Research Product and Product in the applicable Exercised Field, at GSK's expense. GSK shall be responsible for reporting quality complaints, adverse events and safety data related to each Research Product or Product to applicable Regulatory Authorities, as well as responding to safety issues and to all requests of Regulatory Authorities relating to the Research Products and Products; provided that Liquidia shall cooperate as required by GSK to the extent the foregoing are related to PRINT or the PRINT Materials and will supply GSK with all information requested by GSK to allow GSK to fulfill its reporting obligations hereunder. GSK will provide Liquidia with reasonable access to such safety database and promptly report any adverse events related to the PRINT Materials reasonably in advance of any reporting to the applicable Regulatory Authority where practical.

7.5 Remedial Actions. GSK shall have the right to decide whether any recall, corrective action or other regulatory action with respect to any Product taken by virtue of applicable Laws (a "**Remedial Action**") with respect to Products should be commenced, with advance notice, if reasonably practicable, to Liquidia; provided, that GSK shall have the right to make the final decision, in GSK's sole discretion, regarding whether or not any Product shall be recalled. GSK shall bear the costs of any Remedial Action except for any Remedial Action that is initiated due to a defect arising solely from Liquidia's (or a Third Party's on behalf of Liquidia) failure to manufacture, test, package, store, label, release or deliver any PRINT Materials or Products in compliance with the applicable specifications, quality agreement, GMP and/or applicable Laws, in which case Liquidia shall (a) bear all reasonable costs of the administration of such Remedial Action, and (b) reimburse GSK for (i) the price paid by GSK to

Liquidia for the PRINT Materials contained in such recalled Product, (ii) the actual costs for shipping (including freight and insurance), applicable transit charges, insurance premiums, duties, or taxes paid in connection with such recalled Product, and (iii) all direct manufacturing costs (labor and material charges at cost with no mark-up) incurred by GSK to re-manufacture any recalled Product.

ARTICLE 8
COMMERCIALIZATION

8.1 Responsibility; Diligence. After the exercise of the Liquidia Respiratory Option or the Inhaled Option, GSK will be solely responsible for, and use Commercially Reasonable Efforts to, commercialize the Liquidia Respiratory Product and each Inhaled Product in the applicable Exercised Field in countries in which Regulatory Approval is obtained. Such commercialization may include the following activities, conducted by or on behalf of GSK, in GSK's sole discretion; provided, nothing in this Agreement obligates GSK to conduct any of the following specific commercialization activities with respect

to the Liquidia Respiratory Product or any Inhaled Product: (a) developing and executing a commercial launch strategy and plan for the Liquidia Respiratory Product and each such Inhaled Product; (b) negotiating with applicable Governmental Authorities regarding the price and reimbursement status of the Liquidia Respiratory Product and Inhaled Product; (c) marketing and promotion; (d) booking sales and distribution and performance of related services; (e) handling all aspects of order processing, invoicing and collection, inventory and receivables; and (f) providing customer support, including handling medical queries, and performing other related functions. GSK shall keep Liquidia reasonably informed on the commercialization of the Liquidia Respiratory Product and each Inhaled Product, including annual written reports summarizing significant commercialization activities for the Liquidia Respiratory Product and each Inhaled Product.

ARTICLE 9
MANUFACTURE AND SUPPLY

9.1 Research and Development Supply.

(a) Research Materials. Liquidia will be responsible for, and shall use Commercially Reasonable Efforts to, manufacture and supply all of the PRINT Materials and Research Materials reasonably required by GSK and Liquidia to carry out the Inhaled Plan as described therein; provided, that the costs and expenses in connection therewith shall be included in Collaboration Costs, subject to the limitations set forth in Section 3.4. Liquidia shall not be required to provide GSK with GMP supply of PRINT Materials and Research Materials during the Inhaled Collaboration Term prior to GSK's exercise of the Inhaled Option unless otherwise agreed by the Parties. If the JSC determines, due to an inability of Liquidia to timely manufacture and supply PRINT Materials and Research Materials reasonably required by GSK and Liquidia to carry out the Inhaled Plan (including GMP compliant PRINT Materials and Research Materials, if agreed by the Parties), that there shall be a manufacturing technology transfer as described in Sections 2.1(d)(viii) and 5.2(c)(i) and not an extension of the Inhaled Collaboration Term as described in Section 3.3(c), then GSK shall select a Third Party manufacturer that is reasonably acceptable to Liquidia to manufacture and supply GSK's requirements of PRINT Materials and Research Materials for the Inhaled Plan and Liquidia shall

initiate a technology transfer of PRINT (but not the PRINT Tooling) to such Third Party and continue to provide PRINT molds to such Third Party to enable such Third Party to make Research Materials; provided, that if Liquidia fails to supply PRINT molds, then Liquidia also shall provide PRINT Tooling to such Third Party. For clarity, the technology transfer described in Sections 9.1(a), 5.2(c)(i) and 9.3 shall not apply if Liquidia's lack of timely manufacture and supply of PRINT Materials and Research Materials as described above is due primarily to technical or scientific infeasibility, for example, with respect to creating the PRINT Materials or Research Materials contemplated under the Inhaled Plan. Alternatively, the technology transfer described in this Section 9.1(a) may apply, after discussion at the JSC, if Liquidia's lack of timely manufacture and supply of PRINT Materials and Research Materials is due primarily to, for example, Liquidia's failure to fulfill its manufacture and supply obligations with respect to PRINT Materials or Research Materials that are technically or scientifically feasible in amounts contemplated under the Inhaled Plan, or an operational failure of PRINT that the JSC determines can be remedied faster by consummating a manufacturing technology transfer to a Third Party.

(b) Research Products. Liquidia will be responsible for manufacture and supply in accordance with GMP and GSK's quality standards all of the PRINT Materials, Liquidia Respiratory Product and/or Research Products (as applicable) reasonably required by GSK, its Affiliates and sublicensees for use in the development of the Research Products after the exercise of the Inhaled Option or Liquidia Respiratory Option and before the commencement of the first pivotal Clinical Trial for which Regulatory Authorities require commercial grade supply of the Liquidia Respiratory Product or Research Product, subject to and in accordance with the commercially reasonable terms and conditions of a clinical development and supply agreement to be mutually agreed and negotiated by the Parties (the **"Development Supply Agreement"**). The Parties will use reasonable efforts to negotiate the commercially reasonable terms of the Development Supply Agreement promptly after the exercise of the Inhaled Option and/or Liquidia Respiratory Option, as the case may be, which shall include provisions consistent with GSK's rights set forth in Section 5.2(c)(ii) in the event that Liquidia cannot or does not supply in accordance with the terms of such Development Supply Agreement; provided, that if the Parties cannot agree to the terms of a Development Supply Agreement then GSK's right to make and have made PRINT Materials, Liquidia Respiratory Product and/or Research Products as set forth in Sections 5.2(a), 5.2(b) and 5.2(c)(ii) shall apply.

9.2 Commercial Supply. GSK shall have the right to conduct a new contractor assessment of Liquidia to determine, in its sole discretion, that Liquidia is acceptable to GSK for the purposes of supplying PRINT Materials, Liquidia Respiratory Product, Research Products and Inhaled Products (but only if Inhaled Products are the same as Research Products and do not require further formulation or other work in order to be considered appropriate for commercial supply and development requiring commercial grade supply) for clinical trials requiring commercial grade supply and, if applicable, for further formulation work by GSK or a Third Party as Inhaled Products for commercialization on a worldwide basis. Such assessment of Liquidia's manufacturing capabilities will be conducted at the appropriate time to allow for technology transfer, if required, prior to manufacture of pivotal clinical trial material.

(a) If GSK determines in its sole discretion, based on GSK standard assessment criteria for contract manufacturing organizations, that Liquidia is acceptable to GSK

for the supply of PRINT Materials, Liquidia Respiratory Product, Research Products and/or Inhaled Products, as applicable, for the purposes described above in this Section 9.2, then subject to Section 9.2(b), Liquidia will be responsible for manufacture and supply in accordance with GMP and GSK's quality standards all of the PRINT Materials, Research Products, Liquidia Respiratory Product and/or Inhaled Products (as applicable) required by GSK, its Affiliates and sublicensees, subject to and in accordance with the commercially reasonable terms and conditions of a commercial supply agreement to be mutually agreed and negotiated by the Parties (the **"Commercial Supply Agreement"**). Consistent with GSK's rights as set forth in Section 5.2, such Commercial Supply Agreement shall provide that if Liquidia is unable to supply PRINT Materials, Liquidia Respiratory Product, Research Products or Inhaled Products as required by GSK, its Affiliates and sublicensees under the terms of the Commercial Supply Agreement, then upon GSK's request, Liquidia shall

commence a technology transfer to GSK or GSK's Third Party manufacturer of PRINT, PRINT Tooling and any other information and technology reasonably necessary for GSK or GSK's Third Party manufacturer to manufacture and supply such requirements of the PRINT Materials, Liquidia Respiratory Product, Research Products or Inhaled Products. The Parties shall use Commercially Reasonable Efforts to jointly develop and complete a detailed technology transfer project plan within thirty (30) days after GSK's request to Liquidia to commence such technology transfer.

(b) If GSK determines in its sole discretion, based on GSK standard assessment criteria for contract manufacturing organizations, that Liquidia is either (i) not acceptable to GSK, or (ii) acceptable to GSK but GSK elects not to use Liquidia for supply for strategic business reasons, in either case for the supply of PRINT Materials, Liquidia Respiratory Product, Research Products and Inhaled Products for the purposes described above in this Section 9.2, then consistent with GSK's rights as set forth in Section 5.2, Liquidia shall commence a technology transfer to GSK or GSK's Third Party manufacturer of PRINT, PRINT Tooling and any other information and technology reasonably necessary for GSK or GSK's Third Party manufacturer to manufacture and supply such requirements of the PRINT Materials, Liquidia Respiratory Product, Research Products or Inhaled Products. The Parties shall use Commercially Reasonable Efforts to jointly develop and complete a detailed technology transfer project plan within thirty (30) days after GSK's request to Liquidia to commence such technology transfer. Solely in the event the circumstances set forth in Section 9.2(b)(ii) occur, the provisions of Section 10.6 shall apply.

9.3 Manufacturing Technology Transfer. To the extent a technology transfer to GSK or a Third Party contract manufacturer is required pursuant to Sections 9.1 or 9.2 above, then Liquidia shall conduct such technology transfer in accordance with a reasonable plan to be agreed between the Parties, and shall pay for such technology transfer during the agreed upon technology transfer period. Thereafter, GSK shall bear the cost of such technology transfer; provided, that Liquidia has used Commercially Reasonable Efforts to comply with the technology transfer plan within the agreed period of time; and provided further that if Liquidia does not use Commercially Reasonable Efforts to comply with the technology transfer plan within the agreed period of time, then Liquidia shall bear the costs of the remaining period of time applicable to such technology transfer. Notwithstanding the foregoing, if GSK has determined that it or a Third Party will be responsible for manufacture as set forth in Sections 9.2 and 5.2(c)(ii)(C)(2), then GSK shall bear the cost of such technology transfer, subject to

Liquidia's use of Commercially Reasonable Efforts to comply with the agreed technology transfer plan. Liquidia's obligation to transfer PRINT or PRINT Tooling (as applicable) shall only apply in the event that GSK has the right to make or have made the Research Materials, Liquidia Respiratory Product, Research Product and/or Inhaled Product using PRINT or PRINT Tooling under this Article 9 and Section 5.2.

9.4 U.S. Manufacturing Waiver. Promptly upon GSK's request, Liquidia shall use reasonable efforts to obtain a waiver to any requirement that Research Products or Products must be manufactured in the U.S. (including the requirements set forth in 35 U.S.C. §200 et seq. (the **"Bayh-Dole Act"**)) or to satisfy an applicable exception to such requirement. Liquidia will provide GSK with copies of all documents to be submitted in seeking such waiver in sufficient time for GSK to review and comment on the documents before their submission, and Liquidia shall incorporate GSK's reasonable comments and recommendations into such document. If such waiver is not obtained reasonably promptly after GSK's request, and such delay was not the result of GSK's failure to perform in accordance with this Section 9.4, then any such delay in commencing clinical trials shall not be deemed to be a Development Delay in accordance with Section 6.2.

9.5 No Product Formulation. Nothing in this Agreement shall be construed as requiring Liquidia to conduct, or requiring GSK to engage Liquidia to conduct, activities that may be necessary or useful to formulate Research Products into Inhaled Products suitable for sale by GSK, its Affiliates or sublicensees.

ARTICLE 10
COMPENSATION

10.1 Upfront Payment and Equity Investment.

(a) In partial consideration of the rights granted to GSK hereunder, GSK shall pay to Liquidia a one-time, non-refundable and non-creditable upfront payment of [***] Dollars ($[***]). Such payment shall be payable by wire transfer of immediately available funds in accordance with wire transfer instructions of Liquidia provided in writing to GSK on or prior to the Effective Date. Such payment shall be made within [***] Business Days after [***], which invoice shall be sent in PDF format to [***] with a copy to [***] and the [***].

(b) Concurrent with the execution of this Agreement and the Vaccine Collaboration Agreement, in partial consideration of the rights granted to GSK under this Agreement, GSK and Liquidia shall enter into the Stock Purchase Agreement attached hereto as Exhibit D, pursuant to which GSK shall purchase from Liquidia and Liquidia shall sell to GSK [***] shares of Liquidia's Series C-1 preferred stock at a purchase price of $[***] per share for a total investment of $[***].

10.2 Reimbursement of Collaboration Costs. Within fifteen (15) days after the end of each calendar quarter during the Inhaled Collaboration Term, Liquidia shall submit to GSK a reasonably detailed report and any additional documentation reasonably requested by GSK, setting forth all Collaboration Costs actually incurred by Liquidia in the conduct of the Inhaled Program in accordance with the Inhaled Plan and associated budget during such calendar quarter.

GSK shall reimburse Liquidia for the Collaboration Costs incurred as set forth in such report; provided, that any Collaboration Costs incurred in excess of [***] percent ([***]%) of the budgeted Collaboration Costs for the applicable quarter shall be borne by Liquidia unless such overage was approved in advance by the JSC. Notwithstanding the foregoing, any Collaboration Costs that are incurred by Liquidia as a result of Liquidia's failure to use

Commercially Reasonable Efforts or due to Liquidia's negligence, whether or not such Collaboration Costs are in excess of [***] percent ([***]%) of the budget for the applicable quarter, shall be borne entirely by Liquidia. GSK shall reimburse such Collaboration Costs within sixty (60) days after receipt of an invoice from Liquidia, which invoice shall be sent in PDF format to [***] with a copy to [***] (or such other email address(es) as may be notified to Liquidia by GSK). For the avoidance of doubt, the Collaboration Costs reimbursed to Liquidia by GSK shall be used by Liquidia solely to cover the costs of the conduct of the Inhaled Plan that are incurred after the Effective Date.

10.3 Option Exercise Fees.

(a) Within sixty (60) days following receipt of an invoice from Liquidia following Liquidia's receipt of the Respiratory Option Notice from GSK as set forth in Section 4.1(c), which invoice shall be sent in PDF format to [***] with a copy to [***] (or such other email address(es) as may be notified to Liquidia by GSK), GSK shall pay to Liquidia a one-time, non-refundable and non-creditable option exercise fee of [***] Dollars ($[***]).

(b) Within sixty (60) days following receipt of an invoice from Liquidia following Liquidia's receipt of the Inhaled Option Notice from GSK as set forth in Section 4.2(b), which invoice shall be sent in PDF format to [***] with a copy to [***] (or such other email address(es) as may be notified to Liquidia by GSK), GSK shall pay to Liquidia a one-time, non-refundable and non-creditable option exercise fee of [***] Dollars ($[***]).

10.4 Milestone Payments for Inhaled Field and Liquidia Respiratory Field.

(a) If GSK exercises the Liquidia Respiratory Option and/or the Inhaled Option, then subject to the remainder of this Section 10.4, GSK shall make each of the following non-refundable, non-creditable milestone payments to Liquidia, for the Liquidia Respiratory Product, and on a Research Product-by-Research Product basis or on an Inhaled Product-by-Inhaled Product basis, as applicable, upon achievement of the applicable development milestone events:

	Milestone Payments for Liquidia Respiratory Product, Research Products and Inhaled Products	
Milestone Events	**For New Therapeutic Products**	**For Rescue Therapeutic Products and Liquidia Respiratory Product**
First dosing of First Patient in Phase I Clinical Trial	$ [***]	$ [***]
First dosing of First Patient in Phase II Clinical Trial	$ [***]	$ [***]
First dosing of First Patient in Phase III Clinical Trial	$ [***]	$ [***]
NDA/BLA approval by FDA with an Acceptable Label	$ [***]	$ [***]
MAA approval by EMA with an Acceptable Label, including price and reimbursement approval at a level acceptable to GSK, in the first three (3) of five (5) Major EU Markets	$ [***]	$ [***]
Total Milestone Payments for the Liquidia Respiratory Product or per Research Product or Inhaled Product, as applicable (subject to Section 10.4(b) below):	$ [***]	$ [***]

(b) The milestone payments set forth above in Section 10.4(a) shall be payable on the Liquidia Respiratory Product and the first [***] Research Products or Inhaled Products, as applicable (regardless of whether the Research Product or Inhaled Product is a New Therapeutic Product or Rescue Therapeutic Product) that achieve such milestone events; provided that the milestone payments for the [***] Research Products or Inhaled Products, as applicable, shall be reduced to [***]percent ([***]%) of the amounts set forth above in Section 10.4(a). In addition, in the event of a Development Delay and the subsequent conversion of GSK's Inhaled License to non-exclusive license in accordance with Section 6.2, the milestone payment for milestone events achieved by any Research Product or Inhaled Product, as applicable, after such conversion shall be reduced to [***] percent ([***]%) of the amount otherwise due. For clarity, no milestone payment shall be due for the [***] and subsequent Research Products or Inhaled Products, as applicable, which achieve the milestone events set forth above. For illustrative purposes only, if the Inhaled License is converted to non-exclusive and the fourth Research Product that is a New Therapeutic Product achieves First dosing in First Patient in Phase III Clinical Trial, then the amount due for such achievement shall be $[***].

(c) If a particular milestone is achieved by GSK, its Affiliates or sublicensees with respect to the Liquidia Respiratory Product or a particular Research Product or Inhaled Product, as applicable (regardless of whether the Research Product or Inhaled Product is New Therapeutic Product or Rescue Therapeutic Product), then all prior milestones for the Liquidia Respiratory Product, Research Product or Inhaled Product, as applicable, shall be deemed achieved upon achievement of that particular milestone. For the avoidance of doubt, GSK will not be responsible for payment of milestones achieved by the Liquidia Respiratory Product unless and until GSK exercises the Liquidia Respiratory Option, and only with respect to those achieved by GSK, its Affiliates or sublicensees after exercise of the Liquidia Respiratory Option. In addition, and subject to the foregoing sentence, all milestones shall be deemed achieved with respect to the Liquidia Respiratory Product or a particular Research Product or Inhaled Product upon the First Commercial Sale of the Liquidia Respiratory Product or the corresponding Inhaled

Product. For clarity, "prior" refers to the relative order in the table above, e.g., "First dosing of First Patient in Phase I Clinical Trial" being "prior" to "First dosing of First Patient in Phase II Clinical Trial".

(d) GSK shall notify Liquidia in writing promptly, but in no event later than ten (10) Business Days after each achievement of each milestone set forth above in this Section 10.4 that triggers a payment. GSK shall pay all such milestone payments due in Dollars within sixty (60) days after GSK's receipt of an invoice from Liquidia following the achievement of the corresponding milestone event. Such invoice shall be sent in PDF format to [***] and [***] with a copy to [***] (or such other e-mail address(es) as may be notified to Liquidia by GSK). GSK shall notify Liquidia of any deficiency in any invoice delivered to GSK hereunder promptly, and in no event more than seven (7) Business Days following GSK's receipt thereof.

10.5 Royalties.

(a) Royalty Rates

(i) Liquidia Respiratory Product. If GSK exercises the Liquidia Respiratory Option, then subject to Section 10.5(c) below, GSK shall pay Liquidia non-refundable, non-creditable incremental royalties on worldwide annual Net Sales of the Liquidia Respiratory Product as calculated by multiplying the applicable royalty rate by the corresponding amount of incremental Net Sales of the Liquidia Respiratory Product in each calendar year as follows:

Annual Net Sales of the Liquidia Respiratory Product	Royalty Rate
For that portion less than or equal to $[***]	[***]%
For that portion greater than $[***]but less than or equal to $[***]	[***]%
For that portion greater than $[***]	[***]%

(ii) Inhaled Products. If GSK exercises the Inhaled Option, then subject to Section 10.5(c) below, GSK shall pay Liquidia non-refundable, non-creditable incremental royalties on worldwide annual Net Sales on each Inhaled Product, as calculated by multiplying the applicable royalty rate by the corresponding amount of incremental Net Sales of such Inhaled Product in each calendar year as follows:

	Royalty Rate on an Inhaled Product-by-Inhaled Product basis		
Annual Net Sales of Each Inhaled Product	For the first [***] Inhaled Products that achieve First Commercial Sale	For the [***] Inhaled Products that achieve First Commercial Sale	For [***] and all subsequent Inhaled Products that achieve First Commercial Sale
For that portion less than or equal to $[***]	[***]%	[***]%	[***]%
For that portion greater than $[***]but less than or equal to $[***]	[***]%	[***]%	[***]%
For that portion greater than $[***]	[***]%	[***]%	[***]%

For example, if worldwide annual Net Sales of the first Inhaled Product are $800,000,000, then the royalties payable with respect to such annual Net Sales, subject to adjustment as set forth below, would be [***].

Notwithstanding the foregoing, in the event of a Development Delay and the subsequent conversion of GSK's Inhaled License to non-exclusive as set forth in Section 6.2, the royalty rates for Inhaled Products sold after such conversion shall be reduced to [***] percent ([***]%) of the rate set forth in the table above. By way of illustration only, if a Development Delay occurs and GSK subsequently achieves First Commercial Sale for the first Inhaled Product, then the royalty rates payable on Net Sales of such Inhaled Product would be [***] percent ([***]%) for Net Sales less than or equal to $[***] and [***] percent ([***]%) for Net Sales in excess of $[***], in either case, subject to the reductions set forth below in Section 10.5(c).

(b) Royalty Term. Royalties set forth in Section 10.5(a) shall be paid in accordance with the terms of Section 10.5 (including Section 10.5(c) below), on a country-by-country basis and Product-by-Product basis, commencing on First Commercial Sale of the Product, as the case may be, in such country until the latest of: (i) the expiration of the last-to-expire Valid Claim in such country that, but for the Inhaled License granted in Section 5.2(b) or the Liquidia Respiratory License granted in Section 5.2(a), would be infringed by the sale or approved method of use of the Product; (ii) the expiration of Regulatory Exclusivity in such country covering the Product; and (iii) the tenth (10^{th}) anniversary of the First Commercial Sale of the Product in such country, but in no event later than December 31, 2045 (the "**Royalty Term**").

(c) Royalty Reductions.

(i) Know-How Royalty. On a country-by-country and Product-by-Product basis, if the Product is generating Net Sales in a country during the applicable Royalty Term and the sale or approved method of use of the Product does not infringe any Valid Claim in

such country, then the royalty rate applicable to Net Sales of the Product in such country shall be reduced to [***]percent ([***]%) of the royalty rate set forth above in Section 10.5(a) (as reduced by conversion to a non-exclusive license pursuant to a Development Delay, if applicable).

(ii) Generic Competition. On a country-by-country and Product-by-Product basis, if the Product is generating Net Sales in a country during the applicable Royalty Term and a Generic Product with respect to the Product is sold in such country, then the royalty rate applicable to Net Sales of the Product in such country shall be reduced to [***]percent ([***]%) of the royalty rate set forth above in Section 10.5(a) (as reduced by conversion to a non-exclusive license pursuant to a Development Delay, if applicable), commencing with the Net Sales made after the first calendar quarter during which the unit volume of all such Generic Products sold by Third Parties in such country exceeds, in each month during such calendar quarter, [***]percent

([***]%) of the combined unit volume of the Product and such Generic Product sold in such month in such country. All such determinations of unit volume shall be based on a mutually acceptable calculation method and using market share data provided by a reputable and mutually agreed upon provider, such as IMS Health.

(iii) Third Party Royalties.

(A) First Product. If it is necessary for GSK, as determined by GSK in its sole discretion, to obtain a license from a Third Party to avoid infringing a Third Party Patent in connection with practicing PRINT or using the PRINT Material contained in the first Product sold under this Agreement, then GSK shall have the right to deduct from the royalties otherwise due to Liquidia on the sale of such Product an amount equal to [***] percent ([***]%) of the royalty payment paid by GSK to such Third Party pursuant to such license on account of such sale; provided, that GSK shall not be permitted to deduct royalties payable to Third Parties in an amount that would reduce the royalty rate payable to Liquidia by more than [***] percent ([***]%), subject always to Section 10.5(c)(iv) below. GSK shall have the right to carry forward against royalties payable on the sale of such first product in a subsequent calendar quarter any Third Party payment reduction that GSK is unable to take on such first product due to such limitation, subject to the limitation set forth in the proviso in the preceding sentence.

(B) Subsequent Products. If it is necessary for GSK, as determined by GSK in its sole discretion, to obtain a license from a Third Party to avoid infringing a Third Party Patent in connection with the sale of Products sold under this Agreement (other than the first Product for which deduction of Third Party royalties are governed by Section 10.5(c)(iii)(A)), then GSK shall have the right to deduct from the royalties otherwise due to Liquidia on the sale of such Product an amount equal to [***]percent ([***]%) of the royalty payment paid by GSK to such Third Party pursuant to such license on account of such sale; provided, that GSK shall not be permitted to deduct royalties payable to Third Parties in an amount that would reduce the royalty rate payable to Liquidia by more than [***] percent ([***]%), subject always to Section 10.5(c)(iv) below. GSK shall have the right to carry forward against royalties payable on the sale of such product in a subsequent calendar quarter any Third Party payment reduction that GSK is unable to take on such product due to such limitation, subject to the limitation set forth in the proviso in the preceding sentence.

For illustrative purposes only of Section 10.5(c)(iii)(B) above, if GSK owes Liquidia a royalty rate of [***] percent ([***]%) of Net Sales on a Product, and also owes a royalty rate of [***] percent ([***]%) of Net Sales to a Third Party, then GSK shall be entitled to deduct from royalties payable to Liquidia an amount equal to [***] percent ([***]%) of Net Sales. If GSK owes Liquidia a royalty rate of [***] percent ([***]%) of Net Sales on a Product, and also owes a royalty rate of [***] percent ([***]%) of Net Sales to a Third Party, then GSK shall be entitled to deduct from royalties payable to Liquidia an amount equal to [***] percent ([***]%) of Net Sales.

(C) Combination Product Limitations. With respect to any Products that are Combinations and that are subject to the provisions of Section 10.5(c)(iii)(B) (i.e. not the first Product launched under this Agreement), GSK shall not deduct royalties due to Third Parties with respect to active ingredients comprising the Combination that (1) are not associated with or contained in the PRINT Material, and (2) have been taken into account in the calculation of Net Sales in accordance with Section 1.109.

(iv) Limitations on Royalty Reductions. Notwithstanding the foregoing, the operation of Sections 10.5(c)(i), (ii) and (iii), individually or in combination, shall not reduce any royalty rate due under Section 10.5(a) (as reduced by conversion to a non-exclusive license pursuant to a Development Delay, if applicable) to less than [***] percent ([***]%) (or [***] percent ([***]%) in the event of conversion to a non-exclusive license pursuant to a Development Delay).

(d) Royalty Reports and Payments. Within sixty (60) days following the end of each calendar quarter, commencing with the calendar quarter in which the First Commercial Sale of any Product is made anywhere in the world, GSK shall provide Liquidia with a report setting forth the Net Sales of each Product on a country-by-country basis and the royalties due on such Products. Concurrent with the delivery of the applicable quarterly report, GSK shall pay in Dollars all amounts due to Liquidia pursuant to Section 10.5 with respect to Net Sales by GSK, its Affiliates and their respective sublicensees for such calendar quarter.

10.6 COGS Payments. If the circumstances set forth in Section 9.2(b)(ii) occur, and GSK or a Third Party is responsible for manufacture of PRINT Materials, Liquidia Respiratory Product, Research Products or Inhaled Products, then GSK would make payments to Liquidia on a quarterly basis, concurrent with the royalty report and payment described in Section 10.5(d), in an amount equal to [***]percent ([***]%) of GSK's COGS solely related to the manufacture of PRINT Materials for the preceding calendar quarter. Such payments shall be made to Liquidia on an Inhaled Product-by-Inhaled Product basis, on up to [***] ([***]) Inhaled Products, and shall commence with the first full calendar quarter in which there are Net Sales of the first Inhaled Product, and quarterly thereafter for a period of [***] ([***]) years.

10.7 Blocked Currency. If at any time legal restrictions within any country in which there are Net Sales of a Product prevent the conversion of the local currency and such currency cannot be removed from such country such that prompt remittance by GSK of any royalties owed in respect of Net Sales in such country is prevented, then GSK shall make payment to Liquidia in the equivalent amount in Dollars.

10.8 Currency; Exchange. All payments under this Agreement shall be made in Dollars by wire transfer of immediately available funds into an account designated in writing by Liquidia. With respect to sales of Products invoiced in Dollars, the Net Sales and the amounts due hereunder will be expressed in Dollars. With respect to sales of Products invoiced in a currency other than Dollars, the Net Sales and amounts due hereunder will be reported in Dollars, calculated using the average exchange rates as calculated and utilized by GSK's group reporting system and published accounts for its own purposes. As of the Effective Date, the method utilized by GSK's group reporting system uses spot exchange rates sourced from Reuters/Bloomberg.

10.9 Late Payments. Any undisputed amount owed by GSK to Liquidia under this Agreement that is not paid on or before the due date shall bear interest at two (2) percentage points over the overnight LIBOR rate in effect on the due date. Where the late payment is caused by Liquidia, including for reasons such as failure to communicate in a timely manner changes to bank details, or failure to respond to communications from GSK regarding the interpretation or dispute of the terms of such payment, then no interest will be payable by GSK.

10.10 Records; Audits. GSK and its Affiliates and sublicensees will maintain complete and accurate records in sufficient detail to permit Liquidia to confirm the accuracy of the calculation of royalties due hereunder. Upon ninety (90) days prior written notice, GSK shall make such records available for examination during regular business hours for a period of three (3) years from the end of the calendar year to which they pertain by an independent certified public accountant selected by Liquidia and reasonably acceptable to GSK, for the sole purpose of verifying the accuracy of the financial reports furnished by GSK pursuant to this Agreement. Such audit right shall not be exercised by Liquidia more than once in any calendar year and the records for a twelve (12) month period may not be audited more than once. All records made available for audit shall be deemed to be Confidential Information of GSK. The results of each audit, if any, shall be binding on both Parties absent manifest error or fraud. Any amounts shown to be owed but unpaid shall be paid within sixty (60) days from receipt by GSK of an invoice from Liquidia based on the accountant's report, plus interest (as set forth in Section 10.9) from the original due date. Liquidia shall bear the full cost of such audit unless such audit discloses an underpayment by GSK of more than five percent (5%) of the amount due, in which case GSK shall bear the full cost of such audit.

10.11 Taxes.

(a) Taxes on Income. Each Party shall be solely responsible for the payment of all taxes imposed on its share of income arising directly or indirectly from the efforts of the Parties under this Agreement.

(b) Cooperation. The Parties agree to cooperate with one another and use reasonable efforts to reduce or eliminate tax withholding or similar obligations in respect of royalties, milestone payments, and other payments made by GSK to Liquidia under this Agreement. To the extent GSK is required to deduct and withhold taxes on any payment to Liquidia, GSK shall pay the amounts of such taxes to the proper Governmental Authority in a timely manner and promptly transmit to Liquidia an official tax certificate or other evidence of such withholding sufficient to enable Liquidia to claim such payment of taxes. Liquidia shall

provide GSK any tax forms that may be reasonably necessary in order for GSK not to withhold tax or to withhold tax at a reduced rate under an applicable bilateral income tax treaty. Each Party shall provide the other with reasonable assistance to enable the recovery, as permitted by applicable Laws, of withholding taxes, value added taxes, or similar obligations resulting from payments made under this Agreement, such recovery to be for the benefit of the Party bearing such withholding tax or value added tax. GSK shall require its sublicensees to cooperate with Liquidia in a manner consistent with this Section 10.11(b).

(c) Taxes Resulting From GSK Action. If GSK is required to make a payment to Liquidia that is subject to a deduction or withholding of tax, then (i) if such withholding or deduction obligation arises as a result of any action by GSK, including any assignment or sublicense or transfer of GSK's obligations, or any failure on the part of GSK to comply with applicable Laws or filing or record retention requirements, that has the effect of modifying the tax treatment of the Parties hereto (a "**GSK Withholding Tax Action**"), then the sum payable by GSK (in respect of which such deduction or withholding is required to be made) shall be increased to the extent necessary to ensure that Liquidia receives a sum equal to the sum which it would have received had no such GSK Withholding Tax Action occurred, and (ii) the sum payable by GSK shall be made to Liquidia after deduction of the amount required to be so deducted or withheld, which deducted or withheld amount shall be remitted to the proper Governmental Authority in accordance with applicable Laws. If Liquidia is able to obtain credit for any taxes for which an additional payment is made by GSK under Section 10.11(c) ("**Creditable Taxes**") against any tax liability otherwise payable by Liquidia in the year in which the GSK Withholding Tax Action takes place or any preceding years, Liquidia shall reimburse to GSK an amount equivalent to the Creditable Taxes (but only to the extent of additional amounts received by Liquidia pursuant to Section 10.11(c)). Liquidia shall provide GSK with evidence as GSK may reasonably request to review the amount of any Creditable Taxes; provided, that Creditable Taxes shall be reasonably determined by Liquidia in good faith and may take into account all other tax attributes and items of Liquidia prior to giving effect to any credit for withholding taxes with respect to payments hereunder. If, with respect to the payments contemplated by this Section 10.11 any taxing authority disallows all or a portion of a claimed credit then GSK will pay Liquidia an amount equal to the disallowed claimed credit.

ARTICLE 11
INTELLECTUAL PROPERTY MATTERS

11.1 Ownership of Existing Intellectual Property. Except as set forth below in Section 11.3 and except as such rights are expressly licensed by one Party to the other Party hereunder, Liquidia shall retain all of its rights, title and interest in and to the Liquidia Technology existing prior to the Effective Date or arising outside of this Agreement and the Vaccine Collaboration Agreement, and GSK shall retain all of its rights, title and interest in and to the GSK Technology existing prior to the Effective Date or arising outside of this Agreement and the Vaccine Collaboration Agreement, and in the case of PRINT Improvements, arising under this Agreement after the Inhaled Collaboration Term.

11.2 Disclosure of Know-How. Each Party shall promptly disclose to the other Party all Joint Inhaled Collaboration Know-How and Liquidia Collaboration Know-How, GSK shall promptly disclose to Liquidia all PRINT Improvements, and Liquidia shall promptly disclose to

GSK all GSK Collaboration Know-How, including any invention disclosures, or other similar documents, submitted to it by its employees, agents or independent contractors describing the inventions to the extent necessary or useful for the preparation, filing and maintenance of any Joint Inhaled Collaboration Patent, Liquidia Patent or GSK Patent hereunder.

11.3 Ownership of Collaboration Inventions. Notwithstanding Section 11.1, the ownership of all Know-How made by either Party (whether alone or jointly with the other Party) during the performance of its obligations under the Inhaled Plan (the "**Collaboration Know-How**") is as follows:

(a) By Liquidia. Liquidia shall solely own all Collaboration Know-How that solely relates to PRINT and PRINT Tooling ("**Liquidia Collaboration Know-How**"). To the extent any Liquidia Collaboration Know-How is made by GSK, whether solely or jointly with Liquidia, then upon Liquidia's request GSK will transfer and assign, and hereby transfers and assigns to Liquidia, without additional consideration, all of GSK's interest in such Liquidia Collaboration Know-How, which transfer and assignment Liquidia hereby accepts. GSK shall execute and deliver to Liquidia a deed(s) of such assignment, in a mutually agreeable form and will take whatever actions reasonably necessary, including the appointment of Liquidia as its attorney in fact solely to make such assignment, to effect such assignment. For clarity, Liquidia Collaboration Know-How shall include Collaboration Know-How that has general applicability to the function of PRINT, such as improvements to the operational aspects of manufacturing PRINT Materials using PRINT, but does not include Collaboration Know-How relating to General Biological Effects.

(b) By GSK. GSK shall solely own all Collaboration Know-How that solely relates to GSK Materials ("**GSK Collaboration Know-How**"). To the extent any GSK Collaboration Know-How is made by Liquidia, whether solely or jointly with GSK, then upon GSK's request Liquidia will transfer and assign and hereby transfers and assigns to GSK, without additional consideration, all of Liquidia's interest in such GSK Collaboration Know-How, which transfer and assignment GSK hereby accepts. Liquidia shall execute and deliver to GSK a deed(s) of such assignment, in a mutually agreeable form and will take whatever actions reasonably necessary, including the appointment of GSK as its attorney in fact solely to make such assignment, to effect such assignment.

(c) Joint Ownership. Any Collaboration Know-How that is not included in either Liquidia Collaboration Know-How or GSK Collaboration Know-How shall be jointly owned by the Parties (**"Joint Inhaled Collaboration Know-How"**). To the extent any Joint Inhaled Collaboration Know-How is made solely by a Party, such Party hereby transfers and assigns to the other Party, without additional consideration, one undivided half of such Party's interest in such Joint Inhaled Collaboration Know-How, which transfer and assignment the other Party hereby accepts. Each Party shall execute and deliver to the other Party a deed(s) of such assignment, in a mutually agreeable form and will take whatever actions reasonably necessary (including the appointment of the other Party as its attorney in fact solely to make such assignment) to effect such assignment. For clarity, Joint Inhaled Collaboration Know-How shall include Collaboration Know-How that relates to General Biological Effects, and Collaboration Know-How that relates to the use of the combination of the PRINT Materials and GSK Materials; provided, that nothing herein shall be construed as requiring GSK to provide, or grant

any rights to Liquidia to, any GSK Materials for purposes of enabling Liquidia's practice of the Joint Inhaled Collaboration Know-How except as may be required to conduct its activities under the Inhaled Plan. Subject to the terms of this Agreement, each Party shall be entitled to practice and exploit the Joint Inhaled Collaboration Know-How without the duty of accounting or seeking consent from the other Party.

11.4 Use and Disclosure of Joint Inhaled Collaboration Know-How.

(a) Subject to Sections 11.4(b) and 11.4(c) below and the Parties' rights and obligations to prepare, file, prosecute and maintain Joint Inhaled Collaboration Patents, GSK Patents or Liquidia Patents hereunder, neither Party shall disclose to, or use with any Third Party (other than as otherwise permitted in this Agreement in connection with each Party's rights and obligations) (i) any Joint Inhaled Collaboration Know-How resulting from the Inhaled Plan before the exercise or expiration of the Inhaled Option; or (ii) any Joint Vaccine Collaboration Know-How resulting from the Vaccine Plan before exercise or expiration of the Vaccine Option under the Vaccine Collaboration Agreement. For clarity, (1) each Party shall have the right to use Joint Inhaled Collaboration Know-How for internal research purposes during the Inhaled Collaboration Term, (2) subject to Section 11.4(b) below, neither Party shall have the right to grant non-exclusive or exclusive licenses to any Third Party for any reason to its interests in the Joint Inhaled Collaboration Know-How during the Inhaled Collaboration Term, and (3) each Party may use (A) Joint Inhaled Collaboration Know-How to perform its obligations under the Vaccine Plan and (B) Joint Vaccine Collaboration Know-How to perform its obligations under the Inhaled Plan.

(b) Liquidia shall have the right to use Joint Inhaled Collaboration Know-How and to disclose Joint Inhaled Collaboration Know-How to Third Parties at any time (provided that any Third Party receiving Joint Inhaled Collaboration Know-How shall be bound by obligations of confidentiality and non-use similar to those contained herein): (i) for the furtherance of its obligations under the BMGF Letter Agreement and the Research Collaboration Agreement between Liquidia and PATH Vaccine Solution ("**PVS**"), dated November 1, 2011 (the "**PVS Agreement**"), as such obligations exist on the Effective Date; (ii) for future agreements with government and Non-Governmental Organizations for purposes of grant funding; provided that no such agreement shall affect the rights granted or obligated to GSK under this Agreement (subject to Section 5.7(b) of the Vaccine Collaboration Agreement); (iii) subject to GSK's right of first negotiation set forth in Section 4.3, for uses other than any vaccines applications and the Inhaled Field to the extent the Joint Collaboration Inhaled Know-How is independently related to General Biological Effects and has broad applicability to therapeutic uses other than vaccines applications or the Inhaled Field as determined by the JPC; and (iv) for internal research purposes with respect to Excluded Applications, Liquidia Retained Product, Liquidia Respiratory Product and other Liquidia products outside the Inhaled Field or Co-Delivery Vaccine Field so long as such product research and development is not conducted with a Third Party.

(c) GSK shall have the right to use any Joint Inhaled Collaboration Know-How or Joint Vaccine Collaboration Know-How in support of the prosecution and maintenance of (i) Patents claiming the Joint Inhaled Collaboration Know-How (the **"Joint Inhaled Collaboration Patents"**) or (ii) Joint Vaccine Collaboration Patents. Notwithstanding Section

11.4(b), Liquidia shall have the right, subject to GSK's consent (not to be unreasonably withheld or delayed) to use any Joint Inhaled Collaboration Know-How or Joint Vaccine Collaboration Know-How in support of the prosecution and maintenance of any Liquidia Patents; provided that if GSK so consents, then Liquidia shall be deemed to have granted and hereby grants to GSK a non-exclusive, royalty free, perpetual, worldwide license, with the right to grant sublicenses through multiple tiers, under any Liquidia Patent, the prosecution of which was supported by Joint Collaboration Inhaled Know-How or Joint Vaccine Collaboration Know-How, including all foreign counterparts of such Liquidia Patent, for use in the Inhaled Field and Co-Delivery Vaccine Field. For clarity, Liquidia shall have the right to use any Liquidia Know-How and Liquidia Collaboration Know-How in support of the prosecution and maintenance of any Liquidia Patents without giving rise to any such license to GSK.

11.5 Prosecution of Patents.

(a) Liquidia Patents.

(i) Subject to the oversight of the JPC, Liquidia shall have the first right to prepare, file, prosecute and maintain all Liquidia Patents at its sole cost and expense. Liquidia shall provide GSK, for its review and comment, with drafts of any material filings or responses to be made to any patent authority with respect to Liquidia Patents at least thirty (30) days in advance of intended submission or as soon as possible if Liquidia has less than thirty (30) days to make such submission, and shall provide GSK with copies of material filings with and communication from patent authorities with respect to Liquidia Patents. Liquidia shall reasonably consider incorporating GSK's comments thereto. Liquidia shall respond to all reasonable requests of GSK for additional Know-How with respect to all such prosecution and maintenance efforts.

(ii) If Liquidia decides to cease the prosecution or maintenance of any claim in a Liquidia Patent, it shall notify GSK in writing sufficiently in advance so that GSK may, at its discretion, assume the responsibility for the prosecution or maintenance of such Liquidia Patent, at GSK's cost and expense. GSK shall notify Liquidia of its decision to assume the responsibility of such prosecution and/or maintenance within thirty (30) days of Liquidia's notice to cease such activities. If, within such time, Liquidia has not received notice of GSK's decision to assume prosecution and maintenance Liquidia shall be free to cease such prosecution and maintenance.

(b) Joint Inhaled Collaboration Patents.

(i) Subject to the oversight of the JPC, GSK shall have the first right to prepare, file, prosecute and maintain any Joint Inhaled Collaboration Patents, at GSK's cost and expense; provided that GSK may credit one half (1/2) of the reasonable cost and expense incurred in connection with the preparation, filing, prosecution and maintenance of any Joint Inhaled Collaboration Patent against any payment due to Liquidia under Section 10.3, 10.4, 10.5, or 10.6. GSK shall provide Liquidia, for its review and comment, with drafts of any material filings or responses to be made to any patent authority with respect to Joint Inhaled Collaboration Patents at least thirty (30) days in advance of intended submission, or as soon as possible if GSK has less than thirty (30) days to make such submission, and shall provide

Liquidia with copies of material filings with and communication from patent authorities with respect to Joint Inhaled Collaboration Patents. Liquidia shall provide comments in due time before the submission date (taking into account the time difference between EST, GMT or CET time zones). GSK shall respond to all reasonable requests of Liquidia for additional Know-How with respect to all such prosecution and maintenance efforts. GSK shall reasonably consider incorporating Liquidia's comments thereto.

(ii) If GSK decides to cease the prosecution or maintenance of any Joint Inhaled Collaboration Patent, it shall notify Liquidia in writing sufficiently in advance so that Liquidia may, at its discretion, assume the responsibility for the prosecution or maintenance of such Joint Inhaled Collaboration Patent, at Liquidia's cost and expense. Liquidia shall notify GSK of its decision to assume the responsibility of such prosecution and/or maintenance within thirty (30) days of GSK's notice to cease such activities. If, within such time, GSK has not received notice of Liquidia's decision to assume prosecution and maintenance, GSK shall be free to cease such prosecution and maintenance.

(c) GSK Patents. GSK shall have the sole and exclusive right to prepare, file, prosecute and maintain GSK Patents.

(d) Cooperation. Each Party shall provide the other Party all reasonable assistance and cooperation, at the prosecuting Party's request, in the patent prosecution efforts provided above in this Section 11.5, including providing any necessary powers of attorney and executing any other required documents or instruments for such prosecution.

11.6 Enforcement of Patents.

(a) Product Infringement. If either Party becomes aware of (i) any existing or threatened infringement or misappropriation by a Third Party of any Joint Inhaled Collaboration Know-How or Joint Inhaled Collaboration Patents, or any Liquidia Patents or Liquidia Know-How, which infringement or misappropriation of such Liquidia Patents or Liquidia Know-How adversely affects or is reasonably expected to adversely affect any Research Product or Product, or (ii) the submission by any Third Party of an application to the FDA, in accordance with the Hatch-Waxman Act or the Biologics Price Competition and Innovation Act of 2009, for approval of a product that such Third Party claims to be equivalent to, or biosimilar or interchangeable with a Product (in either case of (i) or (ii), a **"Product Infringement"**), then it shall promptly notify the other Party in writing and the Parties will consult with each other regarding any actions to be taken with respect to such Product Infringement.

(b) Liquidia Patents.

(i) Except as set forth below in subsection (ii), Liquidia shall have the sole and exclusive right, but not the obligation, to bring an appropriate suit or other action (an **"Action"**) against any person or entity engaged in such Product Infringement of the Liquidia Patents.

(ii) After the First Commercial Sale of a Product, if the only Patents covering or claiming the applicable Product are the Liquidia Patents that are the subject of the

Confidential treatment has been requested with respect to portions of this agreement as indicated by "[***]" and such confidential portions have been deleted and filed separately with the Securities and Exchange Commission pursuant to Rule 24b-2 of the Securities Exchange Act of 1934, as amended.

Product Infringement, then GSK shall have the first right, but not the obligation, to bring an Action against any person or entity engaged in such Product Infringement of the Liquidia Patents. If GSK fails to commence such an Action to enforce the applicable Liquidia Patent or to settle or otherwise secure the abatement of such Product Infringement within fourteen (14) days after its receipt or delivery of notice under Section 11.6(a), then Liquidia shall have the right, but not the obligation, to commence an Action to enforce the applicable Liquidia Patent, in which case GSK shall take reasonably appropriate action to enable Liquidia to commence and/or settle such Action.

(iii) The Party bringing the Action (the **"Enforcing Party"**) shall keep the other Party regularly informed of the status and progress of such enforcement efforts and shall reasonably consider the other Party's comments on any such efforts. The non-Enforcing Party shall provide to the Enforcing Party reasonable assistance in such enforcement pursuant to this Section 11.6(b), at the Enforcing Party's reasonable request and expense, including joining the Action as a party plaintiff if required by applicable Laws to pursue such Action.

(iv) Notwithstanding the provisions of 11.6(b)(ii) and (iii) above, if there is a Change of Control of Liquidia and subsequently a Product Infringement occurs with respect to a Product for which the only Patents covering or claiming the applicable Product are the Liquidia Patents that are the subject of the Product Infringement, then GSK and the Acquiror shall discuss whether GSK shall control such Action in accordance with Sections 11.6(b)(ii) and (iii) or whether GSK and the Acquiror shall negotiate a common interest agreement as described below. If the Parties agree to enter into a common interest agreement, then they shall negotiate the terms thereof in good faith as quickly as possible and in any event in a manner that will not prejudice the Action, which terms shall include, *inter alia*, selection of counsel, litigation and technology support services related to the Action, settlement of the Action, and sharing of costs of counsel and litigation and technology support services. GSK and the Acquiror shall reasonably consider the engagement of GSK's preferred legal providers and litigation and technology support services, as well as the advantages to each of GSK and the Acquiror entering into direct retention agreements with such legal counsel. For the avoidance of doubt, if the Acquiror elects not to participate in the Action or negotiate the terms of a common interest agreement, then GSK shall have full control as set forth above under 11.6(b)(ii) and (iii).

(c) Joint Inhaled Collaboration Patents.

(i) GSK shall have the first right, but not the obligation, to bring an Action against any person or entity engaged in a Product Infringement of the Joint Inhaled Collaboration Patents. GSK shall keep Liquidia regularly informed of the status and progress of such enforcement efforts and shall reasonably consider Liquidia's comments on any such efforts. Liquidia shall provide to GSK reasonable assistance in such enforcement pursuant to this Section 11.6(c), at GSK's request and expense, including joining such Action as a party plaintiff if required by applicable Laws to pursue such Action. Liquidia shall be entitled to separate representation in such matter by counsel of its own choice and at its own expense.

(ii) GSK shall have a period of ninety (90) days after its receipt or delivery of notice under Section 11.6(a) to elect to so enforce the Joint Inhaled Collaboration Patents against Product Infringement or to settle or otherwise secure the abatement of such

Confidential treatment has been requested with respect to portions of this agreement as indicated by "[***]" and such confidential portions have been deleted and filed separately with the Securities and Exchange Commission pursuant to Rule 24b-2 of the Securities Exchange Act of 1934, as amended.

Product Infringement. If GSK fails to commence an Action to enforce the applicable Joint Inhaled Collaboration Patents or to settle or otherwise secure the abatement of such Product Infringement within such period, then Liquidia shall have the right, but not the obligation, to commence an Action to enforce such Joint Inhaled Collaboration Patents at its own cost and expense. GSK shall take reasonably appropriate actions to enable Liquidia to commence an Action as set forth in the preceding sentence.

(iii) A settlement or consent judgment or other voluntary final disposition of an Action under this Section 11.6(c) may be entered into without the consent of the non-Enforcing Party; provided, that any such settlement, consent judgment or other disposition of any Action by the Enforcing Party under this Section 11.6(c) shall not, without the consent of the non-Enforcing Party, (a) impose any liability or obligation on such non-Enforcing Party, (b) include the grant of any license, covenant or other rights to any Third Party that would conflict with or reduce the scope of the subject matter included under the exclusive licenses granted to such non-Enforcing Party under this Agreement, or (c) conflict with or reduce the scope of the subject matter claimed in any Patent owned (solely or jointly, including Joint Inhaled Collaboration Patents) by the non-Enforcing Party.

(d) Expenses and Recoveries. The Enforcing Party bringing an Action under Section 11.6(b) or 11.6(c) shall be solely responsible for any expenses incurred by such Party as a result of such Action. If such Party recovers monetary damages in such Action, such recovery shall be allocated first to the reimbursement of any expenses incurred by the Parties in such litigation, and any remaining amounts shall be allocated as follows: (i) regardless of which Party is the Enforcing Party, any remaining amounts that represent loss of Net Sales resulting from the Product Infringement shall be included in Net Sales for the relevant Product and subject to the royalty payment by GSK to Liquidia pursuant to Section 10.5, and (ii) all other remaining amounts (including treble damages and punitive damages) shall be shared equally by GSK and Liquidia; provided, that if GSK fails to commence an Action as described in Section 11.6(b)(ii) or 11.6(c)(ii) above and Liquidia subsequently becomes the Enforcing Party, then the remaining amounts described in this Section 11.6(d)(ii) shall be retained by Liquidia.

(e) Other Infringement.

(i) Liquidia shall have the sole and exclusive right to bring an Action against any person or entity engaged in any and all infringement of any Liquidia Patents other than a Product Infringement, in its sole discretion, and shall bear all related expenses and retain all related recoveries.

(ii) GSK shall have the sole and exclusive right to bring an Action against any person or entity engaged in any and all infringement of any GSK Patents, in its sole discretion, and shall bear all related expenses and retain all related recoveries.

11.7 Patents Licensed From UNC. With respect to Liquidia Patents that are Controlled by Liquidia as a result of its exclusive license to such Liquidia Patents under the UNC License Agreement, and for which Liquidia has the right to direct UNC's prosecution thereof under Article 8 of the UNC License Agreement, Liquidia shall cause UNC to file, prosecute, and maintain such Liquidia Patents as reasonably requested by GSK via the JPC in each mutually

agreed country in the Territory, Liquidia's agreement not to be unreasonably withheld. Liquidia shall promptly furnish to GSK upon receipt from UNC or have furnished directly to GSK from UNC copies of all patents, patent applications, substantive patent office actions, and substantive responses received or filed in connection with such patents and patent applications. Liquidia shall cause UNC to reasonably consider and incorporate all input, comments and suggestions of GSK via the JPC on all such patent applications and communications with patent offices, provided that such requests and comments by GSK shall not trigger the license described in Section 11.4(c). Liquidia shall promptly provide notice to GSK as to all matters that come to its attention that may materially affect the preparation, filing, prosecution or maintenance of any such Liquidia Patents by UNC.

11.8 Infringement of Third Party Rights. Subject to Article 13, if any Research Product or Product used or sold by GSK, its Affiliates or sublicensees becomes the subject of a Third Party's claim or assertion of infringement of a Patent of such Third Party with respect to the GSK Materials comprising such Research Product or Product and not the PRINT Materials in such Research Product or Product, then the Party that becomes aware of such claim or assertion shall promptly notify the other Party and GSK shall be solely responsible for the defense of any such infringement claims, at GSK's cost and expense. Subject to Article 13, if any Research Product or Product used or sold by GSK, its Affiliates or sublicensees becomes the subject of any such claim or assertion of infringement of a Third Party patent with respect to the PRINT Materials used in the Research Product or Product, then the Parties shall agree on and enter into a "common interest agreement" wherein the Parties agree to their shared, mutual interest in the outcome of such potential dispute, and thereafter, the Parties shall promptly meet to consider the claim or assertion and the appropriate course of action, including which Party will have responsibility for the defense of such claim and bear the costs thereof.

11.9 Trademarks. GSK shall have the right to brand the Products using trademarks and trade names it determines appropriate for the Products in its sole discretion, which may vary by country or within a country ("**Product Marks**"); provided, that GSK shall not, and shall ensure that its Affiliates and sublicensees will not make any use of the trademarks or house marks of Liquidia (including Liquidia's corporate name) or any trademark confusingly similar thereto. GSK shall own all rights in the Product Marks and shall register and maintain, at its own cost and expense, the Product Marks in the countries and regions that it determines reasonably necessary. For the avoidance of doubt, Liquidia shall not, and shall ensure that its Affiliates and sublicensees will not make any use of the Product Marks, or any trademarks or house marks of GSK or any of its Affiliates (including GSK's corporate name) or any trademark confusingly similar thereto.

ARTICLE 12
REPRESENTATIONS AND WARRANTIES; COVENANTS

12.1 Mutual Representations and Warranties. Each Party hereby represents and warrants to the other Party as follows:

(a) Corporate Existence. As of the Effective Date, it is a company or corporation duly organized, validly existing, and in good standing under the Laws of the jurisdiction in which it is incorporated.

(b) Corporate Power, Authority and Binding Agreement. As of the Effective Date, (i) it has the corporate power and authority and the legal right to enter into this Agreement and perform its obligations hereunder; (ii) it has taken all necessary corporate action on its part required to authorize the execution and delivery of this Agreement and the performance of its obligations hereunder; and (iii) this Agreement has been duly executed and delivered on behalf of such Party, and constitutes a legal, valid, and binding obligation of such Party that is enforceable against it in accordance with its terms.

12.2 Additional Representations and Warranties of Liquidia. Liquidia represents and warrants to GSK as follows, as of the Effective Date:

(a) It Controls PRINT, PRINT Tooling, PRINT Materials and the Liquidia Technology, and has all rights necessary under the Liquidia Technology to grant the options, licenses and other rights to GSK as purported to be granted pursuant to this Agreement;

(b) It Controls, or has the right to Control, any Patents or Know-How arising from activities conducted by UNC or the Consultant under the UNC Research Agreement, the UNC Material Transfer Agreement and the Consulting Agreement in accordance with the terms of such agreements;

(c) It has not received any written notice from any Third Party asserting or alleging that the development or practice of the Liquidia Technology infringes or misappropriates the intellectual property rights of such Third Party, and to its knowledge, GSK's practice of the rights granted to GSK hereunder do not infringe the intellectual property rights of any Third Party;

(d) There are no pending, and to Liquidia's knowledge, no threatened, adverse actions, suits or proceedings against Liquidia involving any Liquidia Technology;

(e) Except as set forth on Exhibit B, it has not granted any right or license to any Third Party relating to any of the Liquidia Know-How or Liquidia Patents that would conflict with any of the rights or licenses granted to GSK hereunder and prohibit GSK from exercising such rights;

(f) It has disclosed to GSK all material information received by Liquidia concerning the institution of any interference, opposition, reexamination, reissue, revocation, or nullification or any official proceeding involving any Liquidia Patent anywhere in the Territory (for the avoidance of doubt, the phrase "official proceeding" as used herein is not intended to mean ordinary prosecution and maintenance activities);

(g) It has provided GSK with a complete and accurate copy of the UNC License Agreement and UNC Research Agreement, as each such agreement is in effect as of the Effective Date, and Liquidia is not aware of any current material breach of the UNC License Agreement or UNC Research Agreement that would give UNC the right to terminate the same;

(h) To its knowledge, it is not in violation of any Anti-Corruption Laws;

(i) It acknowledges receipt of GSK's "Prevention of Corruption — Third Party Guidelines" which are attached hereto as Exhibit E, and agrees to perform its obligations under the Agreement in accordance with the principles set out therein;

(j) It acknowledges that, in entering into this Agreement, GSK has relied upon information supplied by Liquidia and information which Liquidia has caused to be supplied to GSK by Liquidia's agents and/or representatives regarding PRINT and PRINT Materials, pursuant to the Confidentiality Agreement (all of such information being hereinafter referred to collectively as **"Product Information"**). Liquidia represents and warrants to GSK that, to Liquidia's knowledge, the Product Information provided to GSK in connection with this Agreement is accurate in all material respects. Liquidia further warrants and represents to GSK that it has not, as of the Effective Date, intentionally omitted to furnish GSK with any material information known to Liquidia concerning PRINT or PRINT Materials or the transactions contemplated by this Agreement, which would reasonably be considered to have a materially adverse effect on PRINT, PRINT Materials or the performance of the Inhaled Plan; and

(k) UNC has reviewed the terms of this Agreement and has consented to any inconsistencies between the terms, conditions and limitations of this Agreement and the UNC License Agreement.

12.3 Liquidia Covenant; Mutual Covenants.

(a) No Debarment. In the course of the research or development of the Research Products, each Party shall not use any employee or consultant who has been debarred by any Regulatory Authority, or, to such Party's knowledge, is the subject of debarment proceedings by a Regulatory Authority. Each Party shall notify the other Party promptly upon becoming aware that any of its employees or consultants has been debarred or is the subject of debarment proceedings by any Regulatory Authority.

(b) Compliance. Each Party and its Affiliates shall comply in all material respects with all applicable Laws in the development and commercialization of Research Products and Products and performance of its obligations under this Agreement, including the statutes, regulations and written directives of the FDA, the EMA and any other applicable Regulatory Authority, the FD&C Act, the Prescription Drug Marketing Act, the Federal Health Care Programs Anti-Kickback Law, 42 U.S.C. 1320a-7b(b), the statutes, regulations and written directives of Medicare, Medicaid and all other health care programs, as defined in 42 U.S.C. § 1320a-7b(f), and Anti-Corruption Laws, each as may be amended from time to time.

12.4 Disclaimer. Each Party understands that PRINT Tooling, PRINT, the PRINT Materials, GSK Materials, Research Materials and Research Products are the subject of ongoing research and development and that neither Party can assure the safety or usefulness of PRINT Tooling, PRINT, PRINT Materials, GSK Materials, Research Materials or Research Products. In addition, Liquidia makes no warranties except as set forth in this Article 12 concerning the Liquidia Technology. EXCEPT AS EXPRESSLY SET FORTH IN THIS AGREEMENT, EACH PARTY SPECIFICALLY DISCLAIMS ANY GUARANTEE THAT THE INHALED PLAN WILL BE SUCCESSFUL, IN WHOLE OR IN PART. EXCEPT AS EXPRESSLY STATED IN THIS AGREEMENT, NO REPRESENTATIONS OR WARRANTIES

WHATSOEVER, WHETHER EXPRESS OR IMPLIED, INCLUDING WARRANTIES OF MERCHANTABILITY, FITNESS FOR A PARTICULAR PURPOSE, NON-INFRINGEMENT, OR NON-MISAPPROPRIATION OF THIRD PARTY INTELLECTUAL PROPERTY RIGHTS, ARE MADE OR GIVEN BY OR ON BEHALF OF A PARTY, AND ALL REPRESENTATIONS AND WARRANTIES, WHETHER ARISING BY OPERATION OF LAW OR OTHERWISE, ARE HEREBY EXPRESSLY EXCLUDED.

ARTICLE 13
INDEMNIFICATION

13.1 Indemnification by Liquidia. Liquidia shall defend, indemnify, and hold GSK and its Affiliates and their respective officers, directors, employees, and agents (the **"GSK Indemnitees"**) harmless from and against any and all liabilities, damages, losses, costs and expenses including the reasonable fees of attorneys (collectively, **"Losses"**), arising out of or resulting from any Third Party suits, claims, actions, proceedings or demands (**"Claims"**) to the extent that such Claims arise out of, are based on, or result from: (a) the breach of any of Liquidia's obligations under this Agreement, including Liquidia's representations and warranties set forth herein; (b) the willful misconduct or grossly negligent acts of Liquidia, its Affiliates, sublicensees, subcontractors, or the officers, directors, employees, or agents of Liquidia or its Affiliates; (c) the conduct of Liquidia's activities under the Inhaled Plan, and/or the failure to manufacture and supply PRINT Materials and Research Materials in accordance with the terms of this Agreement as

required for the conduct of the Inhaled Plan, but only to the extent such activities are not performed by GSK's personnel as described in Section 3.4; (d) the research or development of the Liquidia Respiratory Product conducted negligently by or on behalf of Liquidia (excluding any activities conducted by GSK in the event GSK contributes to the research or development of Liquidia Respiratory Product pursuant to Section 4.1(a)); (e) any inconsistencies between the terms, conditions and limitations of the UNC License Agreement and this Agreement which cause GSK's inability to comply with the provisions of the UNC License Agreement as required therein; or (f) any breach by Liquidia or its Affiliates of the UNC License Agreement or UNC Research Agreement, in each case, not attributable to an act or omission of GSK or its Affiliates, or their respective subcontractors or sublicensees. The foregoing indemnity obligation shall not apply to the extent that (i) the GSK Indemnitees fail to comply with the indemnification procedures set forth in Section 13.3 and Liquidia's defense of the relevant Claims is prejudiced by such failure, or (ii) any Claim that arises from, is based on, or results from any activity set forth in Section 13.2 for which GSK is obligated to indemnify the Liquidia Indemnitees. Indemnification related to the manufacture and supply of clinical supply of PRINT Materials and Research Products shall be provided for in the Development Supply Agreement described in Section 9.1(b) and indemnification related to the manufacture and supply of commercial supply of PRINT Materials and Research Products shall be provided for in the Commercial Supply Agreement, if any, described in Section 9.2.

13.2 Indemnification by GSK. GSK shall defend, indemnify, and hold Liquidia and its Affiliates and their respective officers, directors, employees, and agents (the "**Liquidia Indemnitees**") harmless from and against any and all Losses arising out of or resulting from any Claims to the extent that such Claims arise out of, are based on, or result from: (a) the research, use, development, manufacture, commercialization, handling, storage or other disposition of

PRINT Materials, Research Materials, Liquidia Respiratory Product, Research Products and Inhaled Products by or on behalf of GSK or its Affiliates or its or their sublicensees or subcontractors (other than by Liquidia pursuant to the Inhaled Plan), including Claims based upon product liability and intellectual property infringement, but excluding (i) use of PRINT and PRINT Tooling as transferred to GSK or its Third Party contract manufacturer and used in accordance with written instructions provided by Liquidia and (ii) Liquidia's use of the PRINT Improvements that are licensed by GSK to Liquidia; (b) the breach of any of GSK's obligations under this Agreement, including GSK's representations and warranties set forth herein; (c) the willful misconduct or grossly negligent acts of GSK, its Affiliates or its or their sublicensees or subcontractors, or the officers, directors, employees, or agents of GSK or its Affiliates; or (d) the use by Liquidia of GSK Materials in accordance with handling and other written instructions provided by GSK in performing Liquidia's activities under the Inhaled Plan and the negligent conduct of GSK's activities under the Inhaled Plan. The foregoing indemnity obligation shall not apply to the extent that (i) the Liquidia Indemnitees fail to comply with the indemnification procedures set forth in Section 13.3 and GSK's defense of the relevant Claims is prejudiced by such failure, or (ii) any Claim arises from, is based on, or results from any activity set forth in Section 13.1 for which Liquidia is obligated to indemnify the GSK Indemnitees. Indemnification related to the manufacture and supply of clinical supply of PRINT Materials and Research Products shall be provided for in the Development Supply Agreement described in Section 9.1(b) and indemnification related to the manufacture and supply of commercial supply of PRINT Materials and Research Products shall be provided for in the Commercial Supply Agreement, if any, described in Section 9.2.

13.3 Indemnification Procedures. The Party claiming indemnity under this Article 13 (the "**Indemnified Party**") shall give written notice to the Party from whom indemnity is being sought (the "**Indemnifying Party**") promptly after learning of such Claim. The Indemnified Party shall provide the Indemnifying Party with reasonable assistance, at the Indemnifying Party's expense, in connection with the defense of the Claim for which indemnity is being sought. The Indemnified Party may participate in and monitor such defense with counsel of its own choosing at its sole expense; provided, that the Indemnifying Party shall have the right to assume and conduct the defense of the Claim with counsel of its choice. The Indemnifying Party shall not settle any Claim without the prior written consent of the Indemnified Party, not to be unreasonably withheld. So long as the Indemnifying Party is actively defending the Claim in good faith, the Indemnified Party shall not settle or compromise any such Claim without the prior written consent of the Indemnifying Party. If the Indemnifying Party does not assume and conduct the defense of the Claim as provided above, (a) the Indemnified Party may defend against, consent to the entry of any judgment, or enter into any settlement with respect to such Claim in any manner the Indemnified Party may deem reasonably appropriate (and the Indemnified Party need not consult with, or obtain any consent from, the Indemnifying Party in connection therewith), and (b) the Indemnifying Party shall remain responsible to indemnify the Indemnified Party as provided in this Article 13.

13.4 Limitation of Liability. NEITHER PARTY SHALL BE LIABLE TO THE OTHER FOR ANY SPECIAL, CONSEQUENTIAL, INCIDENTAL, PUNITIVE, OR INDIRECT DAMAGES (INCLUDING ANY LOSS OF PROFITS, EARNINGS, GOODWILL, SAVINGS OR BUSINESS SUFFERED BY LIQUIDIA OR GSK) ARISING FROM OR

RELATING TO ANY BREACH OF THIS AGREEMENT, REGARDLESS OF ANY NOTICE OF THE POSSIBILITY OF SUCH DAMAGES. NOTWITHSTANDING THE FOREGOING, NOTHING IN THIS SECTION 13.4 IS INTENDED TO OR SHALL LIMIT OR RESTRICT THE INDEMNIFICATION RIGHTS OR OBLIGATIONS OF ANY PARTY UNDER SECTION 13.1 OR 13.2, OR DAMAGES AVAILABLE FOR A PARTY'S BREACH OF CONFIDENTIALITY OBLIGATIONS IN ARTICLE 14.

13.5 Insurance. Each Party shall procure and maintain insurance, or in GSK's case, self-insure, consistent with normal business practices of prudent companies similarly situated at all times during the Term of this Agreement. It is understood that such insurance shall not be construed to create a limit of either Party's liability with respect to its indemnification obligations under this Article 13. Each Party shall provide the other Party with written evidence of such insurance upon request. Each Party shall provide the other Party with written notice at least thirty (30) days prior to the cancellation, non-renewal or material change in such insurance.

ARTICLE 14
CONFIDENTIALITY

14.1 Confidentiality. Each Party agrees that, during the Term and for a period of five (5) years thereafter, it shall keep confidential and shall not publish or otherwise disclose and shall not use for any purpose other than as provided for in this Agreement (which includes the exercise of any rights or the performance of any obligations hereunder) any Confidential Information furnished to it by the other Party pursuant to this Agreement, except to the extent expressly authorized by this Agreement or otherwise agreed in writing by the Parties. The foregoing confidentiality and non-use obligations shall not apply to any portion of the other Party's Confidential Information that the receiving Party can demonstrate by competent written proof:

(a) was already known to the receiving Party or its Affiliate, other than under an obligation of confidentiality, at the time of disclosure by the other Party;

(b) was generally available to the public or otherwise part of the public domain at the time of its disclosure to the receiving Party;

(c) became generally available to the public or otherwise part of the public domain after its disclosure and other than through any act or omission of the receiving Party in breach of this Agreement;

(d) was disclosed to the receiving Party or its Affiliate on a non-confidential basis by a Third Party who has a legal right to make such disclosure and who did not obtain such information directly or indirectly from the other Party; or

(e) was independently discovered or developed by the receiving Party or its Affiliate without access to or aid, application or use of the other Party's Confidential Information, as evidenced by written records made contemporaneous with such discovery or development and kept in the ordinary course of business, or other similar documentary proof of actual knowledge by the receiving Party.

Confidential treatment has been requested with respect to portions of this agreement as indicated by "[***]" and such confidential portions have been deleted and filed separately with the Securities and Exchange Commission pursuant to Rule 24b-2 of the Securities Exchange Act of 1934, as amended.

Notwithstanding the definition of "Confidential Information" in Article 1, all Collaboration Know-How, whether generated by one or both Parties, shall be owned by a Party or the Parties in accordance with Section 11.3. In addition, the exceptions set forth in subsections (a) and (e) shall not apply to Collaboration Know-How, which shall be deemed Confidential Information of the Party that owns such Collaboration Know-How regardless of whether such Collaboration Know-How satisfies the criteria set forth in one or both subsections.

14.2 Authorized Disclosure. Notwithstanding the obligations set forth in Section 14.1, a Party may disclose the other Party's Confidential Information to the extent:

(a) such disclosure is reasonably necessary (i) for the filing or prosecuting Patents as contemplated by this Agreement; (ii) to comply with the requirements of Regulatory Authorities with respect to obtaining and maintaining Regulatory Approval of a Product; or (iii) for prosecuting or defending litigation as contemplated by this Agreement;

(b) such disclosure is reasonably necessary to its employees, agents, consultants, contractors, licensees or sublicensees on a need-to-know basis for the sole purpose of performing its obligations or exercising its rights under this Agreement; provided that in each case, the disclosees are bound by written obligations of confidentiality and non-use consistent with those contained in this Agreement;

(c) such disclosure (including the terms of this Agreement) is reasonably necessary to any bona fide potential or actual investor, acquiror, merger partner, licensee or other financial or commercial partner for the sole purpose of evaluating an actual or potential investment, acquisition or other business relationship; provided that in connection with such disclosure, such Party shall inform each Third Party to whom Confidential Information is disclosed of the confidential nature of such Confidential Information and cause each such Third Party to treat such Confidential Information as confidential; or

(d) such disclosure is reasonably necessary to comply with applicable Laws, including regulations promulgated by applicable security exchanges, court order, administrative subpoena or order.

Notwithstanding the foregoing, in the event a Party is required to make a disclosure of the other Party's Confidential Information pursuant to Section 14.2(a) or 14.2(d), such Party shall promptly notify the other Party such required disclosure and shall use reasonable efforts to obtain, or to assist the other Party in obtaining, a protective order preventing or limiting the required disclosure.

14.3 Technical Publication. Neither Party may publish peer reviewed manuscripts, or give other forms of public disclosure such as abstracts and presentations, of results of studies carried out under the Inhaled Plan, without the opportunity for prior review by the other Party, except to the extent required by applicable Laws. A Party seeking publication shall provide the other Party the opportunity to review and comment on any proposed publication that contains the results of studies carried out under the Inhaled Plan at least sixty (60) days prior to its intended submission for publication; provided, that Liquidia shall not have the right to publish any information or material relating to Inhaled Products, Research Products, Research Materials,

Confidential treatment has been requested with respect to portions of this agreement as indicated by "[***]" and such confidential portions have been deleted and filed separately with the Securities and Exchange Commission pursuant to Rule 24b-2 of the Securities Exchange Act of 1934, as amended.

GSK Materials, or any results of studies carried out by or on behalf of GSK outside the scope of the Inhaled Plan, without GSK's prior consent. The other Party shall provide the Party seeking publication with its comments in writing, if any, within thirty (30) days after receipt of such proposed publication. The Party seeking publication shall consider in good faith any comments thereto provided by the other Party and shall comply with the other Party's request to remove any and all of such other Party's Confidential Information from the proposed publication. In addition, the Party seeking publication shall delay the submission for a period up to sixty (60) days after the other Party's receipt of the proposed publication in the event that the other Party can demonstrate reasonable need for such delay, including the preparation and filing of a patent application. If the other Party fails to provide its comments to the Party

seeking publication within such thirty (30) day period, such other Party shall be deemed not to have any comments, and the Party seeking publication shall be free to publish in accordance with this Section 14.3 after the sixty (60) day period has elapsed. The Party seeking publication shall provide the other Party a copy of the manuscript at the time of the submission. Each Party agrees to acknowledge the contributions of the other Party and its employees in all publications as scientifically appropriate. For the avoidance of doubt, GSK shall not be required to seek Liquidia's review of publications that contain results of studies carried out by or on behalf of GSK outside the scope of the Inhaled Plan. In addition to the foregoing, to the extent Liquidia receives a proposed public disclosure or publication from UNC in accordance with Section 2.2 of the UNC License Agreement or Section 6 of the UNC Research Agreement, then Liquidia shall ensure that GSK is given the opportunity to review and possibly delay such public disclosure or publication in order to protect Liquidia Know-How that may be disclosed in such public disclosure or publication in accordance with the terms of the UNC License Agreement.

14.4 Publicity; Terms of this Agreement.

(a) The Parties agree that the terms of this Agreement are the Confidential Information of both Parties, subject to the special authorized disclosure provisions set forth in this Section 14.4.

(b) On or after the Effective Date, Liquidia shall have the right to issue a public announcement of the execution of this Agreement, in the form agreed by the Parties as of the Effective Date.

(c) Except for the public announcement described in Section 14.4(b), neither Party nor such Party's Affiliates will make any public announcements, press releases, regulatory filing or other public disclosures, written or oral, whether to the public, the press, stockholders or otherwise, concerning this Agreement or the terms or the subject matter hereof, the performance hereof or the Parties' activities hereunder, or any results or data arising hereunder (a **"Public Statement"**), except: (i) with the prior written consent of the other Party (such consent not to be unreasonably delayed or withheld but may be conditional upon certain restrictions as to the content and/or distribution of such Public Statement to ensure consistency with GSK's policies, including GSK's standards for Scientific Engagement); or (ii) for such Public Statements, as in the opinion of the counsel for the Party intending to make such Public Statement, are required to comply with applicable Laws (including the regulations of any stock exchange) (a **"Legal Requirement"**) and which in any event contain only the minimum disclosure necessary to comply with the relevant Legal Requirement.

(d) Each Party agrees to provide the other Party with a copy of any proposed Public Statement as soon as reasonably practicable under the circumstances prior to its scheduled release. Each Party shall provide the other with an advance copy of any such Public Statement at least seven (7) days prior to its scheduled release; provided, that if the Party proposing such Public Statement cannot provide the reviewing Party with seven (7) days notice due to extraordinary circumstances, such Party will use reasonable efforts to provide the reviewing Party with the proposed Public Statement for comment at least forty-eight (48) hours before release. Each Party furthermore shall have the right to review and recommend changes to any such Public Statement and, except as otherwise required by Legal Requirement, the Party whose Public Statement has been reviewed shall remove any Confidential Information of the reviewing Party that the reviewing Party reasonably deems to be inappropriate for disclosure.

(e) In addition to the foregoing each Party agrees to give the other Party a reasonable opportunity (to the extent consistent with Legal Requirements) to review all Public Statements required by Legal Requirements to be filed with the SEC or similar body prior to submission of such filings, and will give due consideration to any reasonable comments by the non-filing Party relating to such filing, including the provisions of this Agreement for which confidential treatment should be sought.

14.5 Clinical Trial Register. Notwithstanding anything in this Article 14, GSK shall have the right to publish summaries of data and results from any human clinical trials conducted under this Agreement on its clinical trials registry or on a government-sponsored database such as www.clinicaltrials.gov or other publicly available websites such as www.clinicalstudyresults.org, without requiring the consent of Liquidia. The Parties shall reasonably cooperate if needed in order to ensure the publication of any such summaries of human clinical trials data and results as required on GSK's clinical trial registry and any government-sponsored database such as clinicaltrials.gov or other publicly available websites such as www.clinicalstudyresults.org.

14.6 Equitable Relief. Each Party acknowledges that its breach of this Article 14 may cause irreparable harm to the other Party, which cannot be reasonably or adequately compensated in monetary damages. Therefore, each Party agrees that the other Party shall be entitled, in addition to any other remedies it may have under this Agreement or otherwise, to seek preliminary and permanent injunctive and other equitable relief to prevent or curtail any actual or threatened breach of the obligations relating to Confidential Information set forth in this Article 14 by the other Party.

ARTICLE 15
TERM AND TERMINATION

15.1 Term. This Agreement shall become effective on the Effective Date and, unless earlier terminated pursuant to this Article 15, shall remain in effect (the "**Term**"):

(a) in the Liquidia Respiratory Field, (i) if GSK does not timely exercise the Liquidia Respiratory Option, then until the expiration of the Liquidia Respiratory Option; or (ii) if GSK timely exercises the Liquidia Respiratory Option, on a country-by-country basis, until the expiration of the Royalty Term of such Liquidia Respiratory Product in such country; and

(b) in the Inhaled Field, (i) if GSK does not timely exercise the Inhaled Option, then until the expiration of the Inhaled Option; or (ii) if GSK timely exercises the Inhaled Option, on an Inhaled Product-by-Inhaled Product and country-by-country basis, until the expiration of the Royalty

Term of such Inhaled Product in such country.

For clarity, if GSK does not timely exercise any option, this Agreement shall expire in its entirety upon the expiration of the last-to-expire option. In addition, in the event the Inhaled Option or Liquidia Respiratory Option are exercised under this Agreement, then upon expiration of all applicable Royalty Terms for Inhaled Products and the Liquidia Respiratory Product, as applicable, GSK shall have a perpetual, fully-paid, royalty-free right and license, with the right to grant sublicenses, under the Liquidia Technology, Joint Inhaled Collaboration Know-How, Joint Inhaled Collaboration Patents and Liquidia's interest in and to the Joint Vaccine Collaboration Know-How and Joint Vaccine Collaboration Patents to make, have made, use, sell, offer to sell and import such Inhaled Product or Liquidia Respiratory Product, as the case may be, in the applicable Exercised Field.

15.2 Termination by GSK for Convenience. GSK may terminate this Agreement in its entirety, on a Research Product-by-Research Product basis, or on a Product-by-Product basis for any reason upon at least one hundred twenty (120) days prior written notice to Liquidia.

15.3 Termination for Breach. Each Party shall have the right to terminate this Agreement in its entirety, on a Research Product-by-Research Product basis, or on a Product-by-Product basis immediately upon written notice to the other Party if the other Party materially breaches its obligations under this Agreement and, after receiving written notice identifying such material breach in reasonable detail, fails to cure such material breach within ninety (90) days from the date of such notice (or within thirty (30) days from the date of such notice in the event such material breach is solely based on the breaching Party's failure to pay any amounts due hereunder). For clarity, a material breach in connection with the Liquidia Respiratory Product or an Inhaled Product, respectively, will not be considered a material breach in connection with an Inhaled Product or the Liquidia Respiratory Product, respectively, and further, a material breach under the Vaccine Collaboration Agreement or this Agreement, respectively, will not affect or be deemed to be a material breach of this Agreement or the Vaccine Collaboration Agreement, respectively. For clarity, failure of the Parties to achieve the objectives and goals of the Inhaled Plan due primarily to technical or scientific infeasibility, for example, with respect to creating the PRINT Materials or Research Materials contemplated under the Inhaled Plan will not be deemed to be a material breach of the Agreement by either Party under this Section 15.3; provided, that such exclusion from breach does not include failure of either Party to diligently perform their obligations as described in this Agreement and under the Inhaled Plan.

15.4 Termination for Bankruptcy. Each Party shall have the right to terminate this Agreement in its entirety immediately upon written notice to the other Party upon such other Party's filing or institution of bankruptcy, reorganization, liquidation or receivership proceedings, or upon an assignment of a substantial portion of the assets for the benefit of creditors by such other Party; provided however that in the case of involuntary bankruptcy proceeding such right to terminate shall only become effective if such other Party consents to the involuntary bankruptcy or such proceeding is not dismissed within sixty (60) days after its filing. In connection therewith, all rights and licenses granted under or pursuant to any section of this

Agreement are and shall otherwise be deemed to be for purposes of Section 365(n) of Title 11, United States Code (the **"Bankruptcy Code"**) licenses of rights to "intellectual property" as defined in Section 101(56) of the Bankruptcy Code. The Parties shall retain and may fully exercise all of their respective rights and elections under the Bankruptcy Code. Upon the bankruptcy of any Party, the non-bankrupt Party shall further be entitled to a complete duplicate of, or complete access to, any such intellectual property, and such, if not already in its possession, shall be promptly delivered to the non-bankrupt Party, unless the bankrupt Party elects to continue, and continues, to perform all of its obligations under this Agreement.

15.5 Effects of Termination. Upon any termination or expiration of this Agreement, each Party shall have the right to practice and/or license its interest in the Joint Inhaled Collaboration Know-How as joint owner, without any requirement of gaining the consent of, or accounting to, the other Party.

(a) The following consequences shall apply only in the event of termination by GSK pursuant to Section 15.2 or by Liquidia pursuant to Section 15.3 or expiration of this Agreement pursuant to Section 15.1(a)(i) or 15.1(b)(i), as applicable:

(i) Liquidia Respiratory Product. The following shall apply with respect to termination by GSK pursuant to Section 15.2 or by Liquidia pursuant to Section 15.3, in either case, in connection with termination of the Agreement solely with respect to the Liquidia Respiratory Product or the Agreement in its entirety. If GSK has exercised the Liquidia Respiratory Option prior to such termination, then GSK's Liquidia Respiratory License shall terminate and the following shall apply:

(A) License. GSK hereby grants to Liquidia, effective only upon such termination and subject to any terms of Third Party agreements, an exclusive, worldwide, sublicenseable (through multiple tiers) license under the GSK Respiratory Technology to make, have made, use, import, offer for sale and sell the Liquidia Respiratory Product. For the purpose of this Section 15.5(a)(i), "**GSK Respiratory Technology**" means Know-How Controlled by GSK that is solely related to the Liquidia Respiratory Product and used by or on behalf of GSK in connection with GSK's development or commercialization of the Liquidia Respiratory Product as of the effective date of termination, and Patents claiming such Know-How including any Know-How or Patents Controlled by GSK that claim or cover any technology including devices or delivery technologies. In addition, the license granted by GSK to Liquidia under PRINT Improvements under Section 5.5(b) shall continue and shall be expanded to include uses in the Liquidia Respiratory Field.

(B) Royalties. Liquidia shall pay to GSK royalty payments (the **"Reversion Royalties"**) on net sales of the Liquidia Respiratory Product in the Territory at a royalty rate of [***] percent ([***]%) for each development stage (set forth in the table below) that GSK has advanced the Liquidia Respiratory Product from the time of the exercise of the Liquidia Respiratory Option to the effective date of termination. By way of example, if GSK exercises the Liquidia Respiratory Option before the first dosing of the Liquidia Respiratory Product in the first Phase I Clinical Trial, and this Agreement is terminated after the first dosing of the Liquidia Respiratory Product in the first Phase II Clinical Trial but prior to first dosing of the Liquidia Respiratory Product in the first Phase III Clinical Trial, then GSK has advanced the

Liquidia Respiratory Product by two (2) stages and the royalty rate shall be [***] percent ([***]%).

Development stage of Liquidia Respiratory Product

First dosing in the first Phase I Clinical Trial but prior to first dosing in the first Phase II Clinical Trial

First dosing in the first Phase II Clinical Trial but prior to first dosing in the first Phase III Clinical Trial

First dosing in the first Phase III Clinical Trial but prior to first MAA approval in any of the Major EU Markets, United States or Japan with a product label acceptable to Liquidia in its sole discretion

First MAA approval in any of the Major EU Markets, United States or Japan with a product label acceptable to Liquidia in its sole discretion

The Reversion Royalties due to GSK as set forth above with respect to the Liquidia Respiratory Product shall be paid on a country-by-country basis, commencing upon the First Commercial Sale of the Liquidia Respiratory Product in a particular country and expiring upon the date that is ten years after the First Commercial Sale of the Liquidia Respiratory Product in such country. The terms of Sections 10.5(d), 10.7, 10.8, 10.9, 10.10 and 10.11 shall apply *mutatis mutandis* to the payment of such Reversion Royalties to GSK.

(C) Regulatory Materials; Data. To the extent legally permissible, GSK shall transfer and assign to Liquidia, at no cost to Liquidia, all Regulatory Materials and Regulatory Approvals for the Liquidia Respiratory Product, as well as all data from non-clinical and clinical studies conducted by or on behalf of GSK, its Affiliates or sublicensees on the Liquidia Respiratory Product and all pharmacovigilance data (including all adverse event database) on the Liquidia Respiratory Product.

(D) Trademarks. GSK shall transfer and assign to Liquidia, at GSK's expense, all Product Marks for the Liquidia Respiratory Product (excluding any such marks that include, in whole or part, any corporate name or logos of GSK or its Affiliates or sublicensees or any other mark or trade dress that is generally used for or is substantially similar to other products in GSK's portfolio).

(E) Transition Assistance. Upon Liquidia's request, and to the extent permissible, GSK shall assign to Liquidia any sublicenses for the Liquidia Respiratory Product and any agreements or arrangement with Third Party vendors pertaining to the development or manufacture of the Liquidia Respiratory Product, and shall provide reasonable technical assistance in transferring the GSK Respiratory Technology to Liquidia or its designee at costs to be shared equally by GSK and Liquidia.

(F) Clinical Trials. If at the time of such termination, GSK is

conducting any clinical trials for the Liquidia Respiratory Product, then, at Liquidia's election on a trial-by-trial basis, and in accordance with applicable Laws and GSK's policies applicable to the conduct or stoppage of clinical trials: (A) GSK shall fully cooperate with Liquidia to transfer the conduct of all such clinical trials to Liquidia and Liquidia shall assume any and all liability (including costs) for such clinical trials after the effective date of such termination, except that GSK shall continue to bear all costs and expenses incurred in connection with the conduct of such clinical trial until the earlier of the completion of such trial or thirty (30) days after the effective date of such termination; or (B) GSK shall orderly wind down the conduct of any such clinical trial which is not assumed by Liquidia under clause (A). In each case GSK shall reimburse Liquidia for any non-cancellable and non-refundable out-of-pocket costs Liquidia may incur in connection with the conduct or wind down of all such clinical trials as of the effective date of such termination.

(ii) Inhaled Products. The following shall apply with respect to termination by GSK pursuant to Section 15.2 or by Liquidia pursuant to Section 15.3, in either case, in connection with termination of the Agreement solely on an Inhaled Product-by-Inhaled Product (or Research Product-by-Research Product, as applicable) basis or the Agreement in its entirety. If GSK has exercised the Inhaled Option prior to such termination, then GSK's Inhaled License shall expire with respect to the terminated Inhaled Product (or Research Product, if applicable) and the following shall apply:

(A) Upon Liquidia's request, GSK shall provide Liquidia with copies of Regulatory Materials, pharmacovigilance data and Joint Inhaled Collaboration Know-How not already in Liquidia's possession, related to the PRINT Materials used in connection with the Inhaled Products (or Research Products, as applicable). All such Regulatory Materials, Joint Inhaled Collaboration Know-How and other data may be redacted by GSK with respect to anything contained therein that is related to the GSK Materials. Liquidia shall have the non-exclusive right to use and reference such Regulatory Materials, Know-How and other data. Nothing herein shall be construed as requiring GSK to provide to Liquidia, or grant any rights to Liquidia, to any materials, Know-How, data, information or the like of any kind whatsoever relating to GSK Materials or delivery technologies.

(B) In addition, solely in the case of termination of the Agreement in its entirety, the license granted by GSK to Liquidia under PRINT Improvements under Section 5.5(b) shall continue and shall be expanded to include the Inhaled Field.

(iii) Joint Inhaled Collaboration Patents; Confidential Information. The following shall apply with respect to either (A) termination of the Agreement in its entirety by GSK pursuant to Section 15.2, (B) termination of the Agreement in its entirety by Liquidia pursuant to Section 15.3, or (C) expiration in both the Liquidia Respiratory Field and Inhaled Field pursuant to Sections 15.1(a)(i) and 15.1(b)(i) respectively, and either (X) termination of the Vaccine Collaboration Agreement in its entirety by GSK pursuant to Section 15.2 of the Vaccine Collaboration Agreement, (Y) termination of the Vaccine Collaboration Agreement in its entirety by Liquidia pursuant to Section 15.3 of the Vaccine Collaboration Agreement, or (Z) expiration in the Co-Delivery Vaccine Field pursuant to Section 15.1(a)(i) of the Vaccine Collaboration Agreement: Liquidia shall have the right, but not the obligation, to assume the responsibility for the prosecution and maintenance of Joint Inhaled Collaboration Patents, at Liquidia's cost and

expense. GSK shall provide Liquidia with all assistance and cooperation as reasonably necessary for Liquidia to assume such responsibility, at Liquidia's expense. Thereafter, Liquidia shall provide GSK, for its review and comment, with drafts of any material filings or responses to be made to any patent authority with respect to Joint Inhaled Collaboration Patents at least ten (10) Business Days in advance of intended submission, and shall provide GSK with copies of material filings made with, and communication received from, patent authorities with respect to Joint Inhaled Collaboration Patents. Liquidia shall reasonably consider incorporating GSK's comments thereto. For the avoidance of doubt, each Party shall have the right to practice and/or license the Joint Inhaled Collaboration Know-How as joint owner, without any requirement of gaining the consent of, or accounting to, the other Party and may use it for any purpose. In addition, GSK shall return to Liquidia, and cease using, all Confidential Information of Liquidia.

(b) The following consequences shall apply only in the event of termination by GSK pursuant to Section 15.3:

(i) Termination During Inhaled Collaboration Term. If GSK terminates the Agreement pursuant to Section 15.3 during the Inhaled Collaboration Term, then:

(A) GSK shall retain (1) the license granted in Section 5.1, (2) the right to exercise the Liquidia Respiratory Option, to the extent not exercised as of the date of termination, and the Inhaled Option, pursuant to the terms of this Agreement except that (a) if Liquidia's breach caused a Development Delay, then the period of time during which GSK shall be entitled to exercise the Inhaled Option shall be extended by twelve (12) months, and (b) the option fee payable by GSK pursuant to Section 10.3(b) will be reduced by [***] percent ([***]%), and (3) to the extent that the Liquidia Respiratory Option has been exercised, the Liquidia Respiratory License granted prior to termination of the Agreement shall survive.

(B) Liquidia shall return to GSK, and cease using all Confidential Information of GSK except as required to continue its obligations set forth in this Section 15.5(b)(i).

(C) The JPC and Advisory Council shall continue on the terms provided in this Agreement.

(D) The following payment provisions will apply: GSK shall make milestone payments to Liquidia under Section 10.4(a) at [***] percent ([***]%) of the amounts set forth therein, when and if they become due, and shall pay Liquidia royalties in accordance with Section 10.5.

(E) Liquidia's right to convert the Inhaled License to non-exclusive in the event of a Development Delay shall terminate and be of no further force and effect.

(F) Sections 9.1(a), 9.1(b) and 9.2(a) shall continue to govern the manufacture and supply of PRINT Materials, Research Materials, Liquidia Respiratory Product, Research Products and/or Inhaled Products as set forth therein, including the technology transfer of PRINT and/or PRINT Tooling.

Confidential treatment has been requested with respect to portions of this agreement as indicated by "[***]" and such confidential portions have been deleted and filed separately with the Securities and Exchange Commission pursuant to Rule 24b-2 of the Securities Exchange Act of 1934, as amended.

(G) The obligations and limitations applicable to Liquidia set forth in Sections 7.1, 11.4(b) and 4.3 shall survive.

(H) GSK's obligation to use Commercially Reasonable Efforts under Sections 6.2 (as amended by this Section 15.5(b)(i)) and 8.1 shall survive only upon the occurrence of a material breach by Liquidia that is not by its nature curable and is not the result of Liquidia's purposeful or willful acts or omissions. For clarity, GSK's obligation to use Commercially Reasonable Efforts under Sections 6.2 (as amended by this Section 15.5(b)(i)) and 8.1 shall not survive upon the occurrence of a material breach by Liquidia that either (1) is by its nature curable, whether or not the result of Liquidia's purposeful or willful acts or omissions, but that Liquidia does not cure in accordance with Section 15.3, or (2) is not curable, and is the result of Liquidia's purposeful or willful acts or omissions.

(ii) Termination After Exercise of Inhaled Option. If GSK terminates the Agreement pursuant to Section 15.3 after GSK's exercise of the Inhaled Option, then:

(A) GSK shall retain the Inhaled License as provided in this Agreement, subject to the remainder of this Section 15.5(b)(ii).

(B) Liquidia shall return to GSK, and cease using all Confidential Information of GSK except as required to continue its obligations set forth in this Section 15.5(b)(ii).

(C) At GSK's option, the JPC and Advisory Council will continue as provided in this Agreement.

(D) The following payment provisions will apply: GSK shall make milestone payments to Liquidia under Section 10.4(a) at [***] percent ([***]%) of the amounts set forth therein, when and if they become due, and shall pay Liquidia royalties in accordance with Section 10.5.

(E) Liquidia's right to convert the Inhaled License to non-exclusive in the event of a Development Delay shall terminate and be of no further force and effect.

(F) Sections 9.1(b) and 9.2(a) shall continue to govern the manufacture and supply of PRINT Materials, Liquidia Respiratory Product, Research Products and/or Inhaled Products as set forth therein, including the technology transfer of PRINT and/or PRINT Tooling.

(G) The obligations and limitations applicable to Liquidia set forth in Section 7.1 shall survive.

(H) GSK's obligation to use Commercially Reasonable Efforts under Sections 6.2 (as amended by this Section 15.5(b)(i)) and 8.1 shall survive only upon the occurrence of a material breach by Liquidia that is not by its nature curable and is not the result

of Liquidia's purposeful or willful acts or omissions. For clarity, GSK's obligation to use Commercially Reasonable Efforts under Sections 6.2 (as amended by this Section 15.5(b)(i)) and 8.1 shall not survive upon the occurrence of a material breach by Liquidia that either (1) is by its nature curable, whether or not the result of Liquidia's purposeful or willful acts or omissions, but that Liquidia does not cure in accordance with Section 15.3, or (2) is not curable, and is the result of Liquidia's purposeful or willful acts or omissions.

15.6 Survival. Termination or expiration of this Agreement shall not affect any rights or obligations of the Parties under this Agreement that have accrued prior to the date of termination or expiration. Notwithstanding anything to the contrary, the following provisions shall survive any expiration or termination of this Agreement: Sections 5.3, 5.6, 5.5(b), 7.5 (solely with respect to Product sold under this Agreement prior to the effective date of termination), 10.2 — 10.11 (solely with respect to payments accrued prior to the effective date of termination, and if the Agreement is terminated by GSK pursuant to Section 15.3, payments due to Liquidia after the termination as amended by Section 15.5(b) if applicable), 11.1, 11.3, 11.5(b) (in the event of expiration of the Agreement only), 15.5 (as applicable), and 15.6, and Articles 1, 13, 14, 16, and 17. In addition, Sections 7.2, 7.3, 7.4, 7.5, and 15.3 and 15.5(a) shall survive any termination of this Agreement with respect to any obligations under this Agreement that survive such termination.

ARTICLE 16
DISPUTE RESOLUTION

16.1 Disputes. The Parties recognize that disputes as to certain matters may from time to time arise that relate to either Party's rights and/or obligations hereunder. It is the objective of the Parties to establish procedures to facilitate the resolution of disputes arising under this Agreement in an expedient manner by mutual cooperation. To accomplish this objective, the Parties agree to follow the procedures set forth in this Article 16 to resolve any controversy or claim arising out of, relating to or in connection with any provision of this Agreement, if and when a dispute arises under this Agreement.

16.2 Internal Resolution. With respect to all disputes arising between the Parties under this Agreement, including any alleged breach under this Agreement or any issue relating to the interpretation or application of this Agreement, if the Parties are unable to resolve such dispute within thirty (30) days after such dispute is first identified by either Party in writing to the other, the Parties shall refer such dispute to the Executive Officers of the Parties for attempted resolution by good faith negotiations within thirty (30) days after such notice is received by or referred to the Executive Officers.

16.3 Third Party Mediation. Any dispute remaining unresolved after escalation to the Executive Officers pursuant to Section 16.2 shall first be submitted to mediation in accordance with the Mediation Procedure of the International Institute for Conflict Prevention and Resolution ("**CPR**"). Such mediation shall be attended on behalf of each Party for at least one session by a senior executive with authority to resolve the dispute and shall be held in New York City, New York. Unless otherwise agreed by the Parties, the Parties shall select a mediator from the CPR Panels of Distinguished Neutrals. Notwithstanding the foregoing, each Party has the right to pursue provisional relief from any court, such as attachment, preliminary injunction

or replevin to avoid irreparable harm, maintain the status quo, or preserve the subject matter of the dispute, prior to the commencement of, or while the Parties are engaged in, the mediation process pursuant to Section 16.5. Any dispute that cannot be resolved by mediation within sixty (60) days of notice by one Party to the other Party of the commencement of the mediation process shall be resolved by arbitration in accordance Section 16.4.

16.4 Dispute Resolution. If the Parties are not able to resolve a dispute referred to them under Section 16.2 and subject to mediation as set forth in Section 16.3, then subject to Section 16.5, such dispute shall be finally resolved by final and binding arbitration conducted in accordance with the terms of this Section 16.4. The arbitration will be held in New York City, New York according to Rules of Arbitration of the International Chamber of Commerce ("**ICC**"). The arbitration will be conducted by a single arbitrator with significant experience in the pharmaceutical industry, unless otherwise agreed by the Parties, appointed by ICC within fifteen (15) days after commencement of the arbitration in accordance with applicable ICC rules. Any arbitration herewith will be conducted in the English language. The arbitrator will be instructed not to award any punitive or special damages and will render a written decision no later than six (6) months following the selection of the arbitrator, including a basis for any damages awarded and a statement of how the damages were calculated. Any award will be promptly paid in Dollars free of any tax, deduction or offset. Each Party agrees to abide by the award rendered in any arbitration conducted pursuant to this Section 16.4. With respect to money damages, nothing contained herein will be construed to permit the arbitrator or any court or any other forum to award punitive or exemplary damages. Each Party will pay its legal fees and costs related to the arbitration (including witness and expert fees); provided, that the arbitrator shall be authorized to determine whether a Party is the prevailing Party, and if so, to award to that prevailing Party reimbursement for its reasonable attorneys' fees, costs and disbursements. All proceedings and decisions of the arbitrator shall be deemed Confidential Information of each of the Parties, and shall be subject to Article 14. From the date of submission of the dispute to the Executive Officers in Section 16.2, until such time as the dispute has become finally settled, the running of the time periods as to which a Party alleged to have breached the Agreement must cure such breach becomes suspended as to any breach that is the subject matter of the dispute. Judgment on the award so rendered will be final and may be entered in any court having jurisdiction thereof.

16.5 Equitable Relief. Nothing in this Article 16 will preclude either Party from seeking equitable relief or interim or provisional relief from a court of competent jurisdiction, including a temporary restraining order, preliminary injunction or other interim equitable relief, concerning a dispute prior to any arbitration if necessary to protect the interests of such Party or to preserve the status quo pending the arbitration proceeding.

16.6 Excluded Matters. Notwithstanding Sections 16.2 through 16.4, any dispute, controversy or claim relating to the scope, validity, enforceability or infringement of any Patent shall be submitted to a court of competent jurisdiction.

Confidential treatment has been requested with respect to portions of this agreement as indicated by "[***]" and such confidential portions have been deleted and filed separately with the Securities and Exchange Commission pursuant to Rule 24b-2 of the Securities Exchange Act of 1934, as amended.

ARTICLE 17
MISCELLANEOUS

17.1 Entire Agreement; Amendment. This Agreement, the Vaccine Collaboration Agreement, and the Exhibits and Schedules hereto, sets forth the complete, final and exclusive agreement and all the covenants, promises, agreements, warranties, representations, conditions and understandings between the Parties hereto with respect to the subject matter hereof and supersedes, as of the Effective Date, all prior and contemporaneous agreements and understandings between the Parties with respect to the subject matter hereof, including the Confidentiality Agreement. No subsequent alteration, amendment, change or addition to this Agreement shall be binding upon the Parties unless reduced to writing and signed by an authorized officer of each Party.

17.2 Force Majeure. Both Parties shall be excused from the performance of their obligations under this Agreement to the extent that such performance is prevented by force majeure and the nonperforming Party promptly provides notice of the prevention to the other Party. Such excuse shall be continued so long as the condition constituting force majeure continues and the nonperforming Party takes reasonable efforts to remove the condition. For purposes of this Agreement, force majeure shall include conditions beyond the control of the Parties, including an act of God, war, terrorist act, labor strike or lock-out, epidemic, and fire, earthquake, storm or like catastrophe. If a force majeure persists for more than ninety (90) days, then the Parties will discuss in good faith the modification of the Parties' obligations under this Agreement in order to mitigate the delays caused by such force majeure.

17.3 Notices. Any notice required or permitted to be given under this Agreement shall be in writing, shall specifically refer to this Agreement, and shall be addressed to the appropriate Party at the address specified below or such other address as may be specified by such Party in writing in accordance with this Section 17.3, and shall be deemed to have been given for all purposes (a) when received, if hand-delivered or sent by confirmed facsimile or a reputable courier service, or (b) five (5) Business Days after mailing, if mailed by first class certified or registered airmail, postage prepaid, return receipt requested.

If to Liquidia: If by courier to:

Liquidia Technologies, Inc.
419 Davis Dr. Suite 100
Morrisville, NC 27560
Attn: Legal
Fax: [***]

If by mail to:

Liquidia Technologies, Inc.
P.O. Box 110085
Research Triangle Park, NC 27709
Attn: Legal
Fax: [***]

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

Confidential treatment has been requested with respect to portions of this agreement as indicated by "[***]" and such confidential portions have been deleted and filed separately with the Securities and Exchange Commission pursuant to Rule 24b-2 of the Securities Exchange Act of 1934, as amended.

Cooley LLP
One Freedom Square
Reston Town Center
11951 Freedom Drive
Reston, VA 20190-5656
Attn: Kenneth J. Krisko
Fax: [***]

If to GSK: GlaxoSmithKline
709 Swedeland Road
King of Prussia, PA, 19406
Attention: Business Development
Facsimile: [***]

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

GlaxoSmithKline
2301 Renaissance Boulevard
Mailcode RN0220
King of Prussia, PA 19406-2772
Attention: Vice President and Associate General Counsel, Business Development Transactions

Telephone: [***]
Facsimile: [***]

17.4 No Strict Construction; Headings. This Agreement has been prepared jointly by the Parties and shall not be strictly construed against either Party. Ambiguities, if any, in this Agreement shall not be construed against any Party, irrespective of which Party may be deemed to have authored the ambiguous provision. The headings of each Article and Section in this Agreement have been inserted for convenience of reference only and are not intended to limit or expand on the meaning of the language contained in the particular Article or Section.

17.5 Assignment.

(a) Subject to Section 17.5(c) below, neither Party may assign or transfer this Agreement or any rights or obligations hereunder without the prior written consent of the other (not to be unreasonably withheld or delayed), except that a Party may make such an assignment without the other Party's consent to (i) an Affiliate (for so long as such entity remains an Affiliate) or (ii) a Third Party in connection with a Change of Control of such Party (such Third Party, an **"Acquiror"**). Any successor or assignee of rights or obligations permitted hereunder shall, in writing to the other Party, expressly assume performance of such rights or obligations. Any permitted assignment shall be binding on the successors of the assigning Party. Any assignment or attempted assignment by either Party in violation of the terms of this Section 17.5 shall be null, void and of no legal effect.

(b) In the event that a Party undergoes a Change of Control, all intellectual property rights owned or otherwise controlled by the Acquiror or its Affiliates at any time (excluding the Party hereto that becomes an Affiliate of the Acquiror as a result of such transaction) shall be excluded from the licenses granted under this Agreement (including any such intellectual property owned or otherwise controlled by such Acquiror as of the date of consummation of such transaction but not acquired as a result of the transaction), except for any intellectual property rights generated or owned by the Acquiror or its Affiliates pursuant to the term of this Agreement in performing any activity under this Agreement.

(c) GSK acknowledges that Liquidia may sell, to one or more Third Parties, Liquidia's rights to receive milestone payments and/or royalties under this Agreement to an entity whose principal purpose is to provide financing to Liquidia (the **"Royalty Purchaser"**). Upon the sale to a Royalty Purchaser described in the foregoing sentence, Liquidia shall notify GSK in writing and at Liquidia's direction, GSK shall deliver directly to the Royalty Purchaser instead of to Liquidia those payments contemplated by the Agreement. For clarity, GSK shall continue to deal directly with Liquidia in all other respects concerning such payments, including reporting obligations and audit rights as provided under the Agreement and GSK shall not be required to provide any other information, including its Confidential Information, to such Royalty Purchaser. Payments to a Royalty Purchaser shall constitute a full discharge of GSK's obligations in respect of such payment. For clarity, nothing herein shall obligate GSK to pay more than the amounts that are required under this Agreement absent such sale to a Royalty Purchaser. Liquidia shall indemnify and hold harmless the GSK Indemnitees from and against any and all Claims arising out of any and all claims by a Royalty Purchaser with respect to or resulting from any sale as described under this Section 17.5(c), except where such Claims are due to GSK's failure to perform its obligations under the Agreement.

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

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

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

17.9 No Waiver. Any delay in enforcing a Party's rights under this Agreement or any waiver as to a particular default or other matter shall not constitute a waiver of such Party's

rights to the future enforcement of its rights under this Agreement, except with respect to an express written and signed waiver relating to a particular matter for a particular period of time.

17.10 Independent Contractors. Each Party shall act solely as an independent contractor, and nothing in this Agreement shall be construed to give either Party the power or authority to act for, bind, or commit the other Party in any way. Nothing herein shall be construed to create the relationship of partners, principal and agent, or joint-venture partners between the Parties.

17.11 English Language; Governing Law. This Agreement was prepared in the English language, which language shall govern the interpretation of, and any dispute regarding, the terms of this Agreement. This Agreement and all disputes arising out of or related to this Agreement or any breach hereof shall be governed by and construed under the laws of the State of Delaware, without giving effect to any choice of law principles that would require the application of the laws of a different state.

17.12 Counterparts. This Agreement may be executed in one (1) or more counterparts, by original, facsimile or PDF signature, each of which shall be deemed an original, but all of which together shall constitute one and the same instrument.

{Signature page follows}

IN WITNESS WHEREOF, the Parties have executed this Agreement by their duly authorized officers as of the Effective Date.

GLAXO GROUP LIMITED		**LIQUIDIA TECHNOLOGIES, INC.**	
By:	/s/ Vaughn Walton	By:	/s/ Neal F. Fowler
Name:	Vaughn Walton	Name:	Neal F. Fowler
Title:	Authorised Signatory	Title:	CEO

LIST OF EXHIBITS:

EXHIBIT A

EXHIBIT B

EXHIBIT C

EXHIBIT D

iii

Confidential treatment has been requested with respect to portions of this agreement as indicated by "[***]" and such confidential portions have been deleted and filed separately with the Securities and Exchange Commission pursuant to Rule 24b-2 of the Securities Exchange Act of 1934, as amended.

EXHIBIT E

iv

Exhibit 10.15

Confidential treatment has been requested with respect to portions of this agreement as indicated by "[***]" and such confidential portions have been deleted and filed separately with the Securities and Exchange Commission pursuant to Rule 24b-2 of the Securities Exchange Act of 1934, as amended.

AMENDMENT 1 TO THE
INHALED COLLABORATION AND OPTION AGREEMENT

This Amendment no. 1 to the Agreement ("**Amendment**") is made effective as of the 13th day of May 2015 ("**Amendment Effective Date**") by and between:

LIQUIDIA TECHNOLOGIES, INC., a Delaware corporation, having its principal place of business at 419 Davis Dr., Suite 100, Morrisville, NC 27560 ("**Liquidia**") on the one part and;

GLAXO GROUP LIMITED, a company organized and existing under the laws of England and having an office and place of business at 980 Great West Road, Brentford, Middlesex TW8 9GS England ("**GSK**") on the other part.

WHEREAS, the Parties have entered into the INHALED COLLABORATION AND OPTION AGREEMENT, dated June 15th, 2012 ("**the Agreement**"); and

WHEREAS, the Parties wish to extend the Inhaled Collaboration Term on the terms provided herein.

NOW THEREFORE, in consideration of the foregoing premises and the mutual covenants and conditions contained in this Amendment, the Parties agree as follows:

1. All capitalized terms used but not defined herein have the meanings ascribed to them in the Agreement.

2. Section 3.3(a) of the Agreement is hereby deleted and replaced with the following:

   "Subject to the extensions provided in Sections 3.3(b) and (c), the term of the Inhaled Collaboration (the "**Inhaled Collaboration Term**") shall commence on the Effective Date and expire on December 15, 2015. Notwithstanding the foregoing, with respect to the Liquidia Respiratory Option and Respiratory Option Notice the initial Inhaled Collaboration Term of June 15, 2015 shall continue to control."

3. Section 4.2(b) of the Agreement is hereby deleted and replaced with the following:

   "GSK may exercise the Inhaled Option by providing written notice to Liquidia (the "**Inhaled Option Notice**") at any time before or upon the expiration of the Inhaled Collaboration Term (the "**Inhaled Option Period**"). Notwithstanding the foregoing, all final data and results generated by or on behalf of Liquidia

---

Confidential treatment has been requested with respect to portions of this agreement as indicated by "[***]" and such confidential portions have been deleted and filed separately with the Securities and Exchange Commission pursuant to Rule 24b-2 of the Securities Exchange Act of 1934, as amended.

   under the Inhaled Collaboration through June 15, 2015 shall be provided to GSK as soon as reasonably practicable to enable GSK to determine whether or not to exercise the Inhaled Option during the Inhaled Option Period."

4. As of the Amendment Effective Date, in accordance with Section 2.1(d)(iii), the JSC has approved an updated Inhaled Plan and associated budget setting forth the Collaboration Costs expected to be incurred by Liquidia in the performance thereof. The updated Inhaled Plan is attached hereto as **Appendix A**, and establishes the work to be performed by Liquidia and GSK from June 15, 2015 through September 9, 2015. For clarity, in accordance with Appendix A, (i) Liquidia will not transfer to, nor be obligated to transfer to GSK any Research Materials after June 15, 2015, up to the date GSK exercises the Inhaled Option and (ii) all activities by Liquidia and GSK stop on September 9, 2015, provided GSK has not exercised the Inhaled Option. Collaboration Costs incurred in connection with the Inhaled Plan attached as Appendix A shall be managed in accordance with the terms of the Agreement in force as of the Amendment Effective Date and which remain unchanged by this Amendment, except as provided in Section 8 below.

5. In partial consideration for Liquidia's agreement to manufacture GMP PRINT Materials prior to the exercise by GSK of the Inhaled Option, as well as additional activities regarding the [***] program set forth in the updated Inhaled Plan, GSK shall pay to Liquidia a one-time non-refundable payment of [***] Dollars ($[***]) (the "Amendment Payment") within [***] days after [***], which invoice shall be sent in PDF format to [***] with a copy to the [***]. The Amendment Payment shall be payable by wire transfer of immediately available funds in accordance with wire transfer instructions of Liquidia provided in writing to GSK on or prior to the Amendment Effective Date.

6. The GMP PRINT Materials referred to in Section 5 above (the "[***] PRINT Materials") will be manufactured, tested, packaged, stored, labeled, released and delivered in accordance with GMP, any specifications provided by GSK, the Quality Agreement and Technical Agreement to be entered into promptly after the Amendment Effective Date, and all applicable laws, and supplied in accordance with Section 3.5(c) of the Agreement; provided, that the Parties agree that the [***] PRINT Materials will be shipped to GSK within five (5) days after Liquidia's receipt of the Inhaled Option Notice from GSK. For clarity, the Parties shall promptly negotiate in good faith the Development Supply Agreement in accordance with the Agreement, which shall be executed prior to any human dosing. Upon execution of the Development Supply Agreement, the terms of the Development Supply Agreement shall supersede

---

the terms set forth above in this Section 6 with respect to the manufacture and supply of such [***] PRINT Materials.

7. The payment for the milestone entitled "First dosing of First Patient in Phase I Clinical Trial" for a New Therapeutic is hereby reduced from [***] Dollars ($[***]) to [***] Dollars ($[***]) solely with respect to the first achievement of such milestone by a New Therapeutic Product. For clarity, after this milestone is first time achieved by a New Therapeutic, it will thereafter be payable at [***] Dollars ($[***]) in accordance with Section 10.4.

8. In the event that GSK terminates the Agreement in its entirety in accordance with Section 15.2, prior to expiration of the Inhaled Collaboration Term without exercising the Inhaled Option, then, in addition to the rights and obligations of the Parties as set forth in Article 15, the following provisions shall apply: (a) Liquidia shall cease all activities under the Inhaled Plan upon receipt of GSK's written notice of termination, and (b) GSK shall reimburse Liquidia for all Collaboration Costs incurred (including any non-cancellable Collaboration Costs set forth in the budget) for activities conducted through the date of notice of termination.

9. All references to "[***]" in Sections 10.2, 10.3(a), 10.3(b) and 10.4(d) shall be replaced with "[***]".

10. All other terms of the Agreement will remain unchanged and in full force and effect.

IN WITNESS WHEREOF, THE PARTIES HAVE EXECUTED THIS AMENDMENT BY THEIR DULY AUTHORIZED OFFICERS AS OF THE EFFECTIVE DATE.

GLAXO GROUP LIMITED		**LIQUIDIA TECHNOLOGIES, INC.**	
By:	/s/ Paul Williamson	By:	/s/ Neal F. Fowler
Name:	Paul Williamson	Name:	Neal F. Fowler
Title:	Authorised Signatory	Title:	CEO

SECOND AMENDMENT TO THE
INHALED COLLABORATION AND OPTION AGREEMENT

This Second Amendment ("**Amendment 2**") is made effective as of the 19th day of November 2015 ("**Amendment 2 Effective Date**") by and between:

LIQUIDIA TECHNOLOGIES, INC., a Delaware corporation, having its principal place of business at 419 Davis Dr., Suite 100, Morrisville, NC 27560 ("**Liquidia**") on the one part and;

GLAXO GROUP LIMITED, a company organized and existing under the laws of England and having an office and place of business at 980 Great West Road, Brentford, Middlesex TW8 9GS England ("**GSK**") on the other part.

WHEREAS, the Parties have entered into the INHALED COLLABORATION AND OPTION AGREEMENT, dated June 15th, 2012, and Amendment 1 to the Inhaled Collaboration and Option Agreement, dated May 13, 2015, (collectively "**the Agreement**");

WHEREAS, GSK exercised the Inhaled Option under Section 4.2 of the Agreement on September 4, 2015;

WHEREAS, the Parties wish to amend the Agreement to provide a mechanism for Liquidia to conduct additional Inhaled Plans on Research Materials and PRINT Materials after exercise of the Inhaled Option by GSK while GSK continues the development of Research Products in an effort to commercialize Inhaled Products; and

WHEREAS, the Parties do not intend to revive any provisions of the Agreement that expired or terminated upon exercise by GSK of the Inhaled Option.

NOW THEREFORE, in consideration of the foregoing premises and the mutual covenants and conditions contained in this Amendment 2, the Parties agree to amend the Agreement from and after the Amendment 2 Effective Date as follows:

1. All capitalized terms used but not defined herein have the meanings ascribed to them in the Agreement.

2. Section 1.50 is hereby amended and replaced in its entirety with the following new Section 1.50:

   "1.50 "**FTE Rate**" means, as of the Amendment 2 Effective Date, an annual rate of $[***] per FTE. The FTE Rate may be changed by Liquidia, upon notice to GSK and inclusion of the modified FTE Rate in the budget for the applicable

---

Confidential treatment has been requested with respect to portions of this agreement as indicated by "[***]" and such confidential portions have been deleted and filed separately with the Securities and Exchange Commission pursuant to Rule 24b-2 of the Securities Exchange Act of 1934, as amended.

future Additional Inhaled Plan, to reflect any year-to-year percentage increase or decrease from the Amendment 2 Effective Date as reflected in the [***], as published by the [***], unless the Parties agree, through the JSC, to a greater increase to the FTE Rate." For clarity, the JSC has agreed as of the Amendment 2 Effective Date that Liquidia's annual FTE rate shall be adjusted to $[***] per FTE beginning with the next Additional Inhaled Plan.

3. Section 1.77 is hereby amended and replaced in its entirety with the following new Section 1.77:

   "1.77 '**Inhaled Plan**' has the meaning set forth in Section 3.2. For clarity, '**Initial Inhaled Plan**" means the Inhaled Plan conducted prior to exercise by GSK of the Inhaled Option and '**Additional Inhaled Plan**' means any Inhaled Plan conducted after the exercise by GSK of the Inhaled Option."

4. The term "**Inhaled Plan**" as used in 1.60, 1.62, 1.119, 1.134, 2.1, 2.2, 3.5, 3.6, 3.7, 3.8, 5.2, 5.5, 9.1(a), 10.2, 11.3, 12.2(j), 12.4, 13.1, 13.2, 14.3, and 15.3 of the Agreement shall hereinafter encompass both the Initial Inhaled Plan as well as any Additional Inhaled Plans.

5. Article 2 is hereby amended to include Section 2.7 which states the following:

   "2.7 **Continuation of JSC and JIRC**. In the event that Additional Inhaled Plans are being carried out during the Inhaled Collaboration Term after exercise by GSK of the Inhaled Option, the JSC and the JIRC shall continue to oversee and conduct the activities of the Collaboration Program, including without limitation the Inhaled Collaboration, and any such Additional Inhaled Plans to the extent the JSC's or JIRC's actions and oversight are necessary with respect to the Collaboration Program or the Additional Inhaled Plans. After exercise of the Inhaled Option, however, the JSC and JIRC shall cease to have any responsibility with respect to the development of Research Products or commercialization of Inhaled Products and any oversight responsibility for those activities will be carried out by the Advisory Council as set forth in Section 2.5."

6. Section 3.1 of the Agreement is hereby amended to include the following sentence at the end of Section 3.1:

   "Additionally, the Parties desire to explore potential applications of PRINT and GSK Materials selected by GSK in its sole discretion, in the Inhaled Field under specific Additional Inhaled Plans, where activities under such Additional Inhaled Plans will continue after exercise by GSK of the Inhaled Option. For clarity, any such Additional Inhaled Plan that continues after exercise by GSK of the Inhaled Option shall be considered a continuation of the Inhaled Collaboration."

7. Section 3.2 of the Agreement is hereby amended and replaced in its entirety with the following new Section 3.2:

"3.2 **Inhaled Plan**. The Parties shall conduct the Inhaled Collaboration pursuant to one or more work plans (each an "**Inhaled Plan**") that sets forth specific activities to be pursue by each Party. As of the Effective Date of the Agreement, the Parties agreed upon the Initial Inhaled Plan and associated budget which was attached to the Agreement as Exhibit C. Under the Initial Inhaled Plan, Liquidia would be primarily responsible for generating PRINT Materials, generating Research Materials using PRINT Materials and GSK Materials, and scaling up its manufacturing capabilities, and GSK would be primarily responsible for in vitro and in vivo evaluation of the PRINT Materials and Research Materials in assays and preclinical models. The Parties acknowledge that the Initial Inhaled Plan will terminate upon expiration by GSK of the Inhaled Option. In the event the Parties desire to pursue Additional Inhaled Plans beyond the Initial Inhaled Plan, the Parties shall work together to set forth mutually agreed specific activities to be pursued by each Party, including detailed budgets associated with such activities, timelines, deliverables, and each Party's responsibility under the Additional Inhaled Plans. All Additional Inhaled Plans beyond the Initial Inhaled Plan shall be prepared in a similar form to the Initial Inhaled Plan attached to the Agreement as Exhibit C and shall be subject to JSC approval. From time to time (at least on an annual basis), the JIRC shall update and prepare amendments to the then-current Additional Inhaled Plan(s) and associated budget and shall submit such amendments and budget to the JSC for review and approval. Once approved by the JSC, such revised Additional Inhaled Plan(s) and budget shall replace the prior applicable Additional Inhaled Plan(s) and budget. If the terms of any Additional Inhaled Plan contradict, or create inconsistencies or ambiguities with, the terms of this Agreement, as amended, then the terms of this Agreement shall govern and control."

8. Section 3.3 of the Agreement is hereby amended and replaced in its entirety with the following new Section 3.3:

"3.3 **Inhaled Collaboration Term**. The term of the Inhaled Collaboration (the "**Inhaled Collaboration Term**") shall commence on the Effective Date and expire upon completion of all Inhaled Plans, including any Additional Inhaled Plan(s), as determined by the JSC."

9. Section 3.4 of the Agreement is hereby amended and replaced in its entirety with the following new Section 3.4:

"3.4 **Collaboration Costs**. GSK shall be responsible for Liquidia's FTE Costs, nonstandard costs for lab supplies and manufacturing cost of PRINT

Confidential treatment has been requested with respect to portions of this agreement as indicated by "[***]" and such confidential portions have been deleted and filed separately with the Securities and Exchange Commission pursuant to Rule 24b-2 of the Securities Exchange Act of 1934, as amended.

Materials and Research Materials incurred solely in connection with the conduct of the Inhaled Plans (and not for activities outside of the conduct of the Inhaled Plans or in furtherance of Liquidia's collaborations with Third Parties) in accordance with the applicable budget (the "**Collaboration Costs**"). For clarity, manufacturing costs included in the Collaboration Costs for the Initial Inhaled Plan shall not exceed [***]Dollars ($[***]) per single shift day for standard cost and shall not include any costs associated with capital expenditures for Liquidia's manufacturing facilities unless otherwise agreed by the Parties in accordance with Section 2.1(e)(ii). Notwithstanding anything to the contrary in this Agreement (including the Initial Inhaled Plan and any revisions thereto), GSK shall fund no less than [***] Liquidia FTEs, but no more than [***] Liquidia FTEs to work on the Initial Inhaled Plan per year. If the activities to be conducted under the Initial Inhaled Plan require additional FTE support, then the JSC shall meet to discuss how to staff such additional activities, which may include contribution of GSK FTEs, at GSK's cost, to perform activities assigned to Liquidia. With respect to any costs and expenses incurred in connection with any Additional Inhaled Plan being conducted after GSK's exercise of the Inhaled Option, GSK shall be responsible for all such costs and expenses. The Parties will agree on a budget for such Additional Inhaled Plan and any costs and expenses related to such Additional Inhaled Plans shall be considered part of the Collaboration Costs, including the applicable FTE Costs and manufacturing costs. Notwithstanding the foregoing, GSK and Liquidia, through the JSC, shall agree on the FTE Costs, including without limitation the number of FTEs, for such Additional Inhaled Plans being conducted after GSK's exercise of the Inhaled Option. GSK shall reimburse Liquidia for the Collaboration Costs as set forth in Section 10.2. For the avoidance of doubt, GSK shall be responsible for all cost and expenses incurred by GSK to conduct the Inhaled Collaboration."

10. Section 5.1 of the Agreement is hereby amended and replaced in its entirety with the following new Section 5.1:

"5.1 **Collaboration License Under Liquidia Technology.** Subject to the terms and conditions of this Agreement, Liquidia hereby grants to GSK a non-exclusive, worldwide, sublicensable license, under the Liquidia Technology for the sole purpose of carrying out GSK's obligations and research rights under the Inhaled Plans, which license shall become effective on the Effective Date and shall expire upon the expiration of the Inhaled Collaboration Term. The license grant in this Section 5.1 will include the right to have made Research Materials as further described in Section 5.2(c)(i)."

11. The Parties acknowledge that, as of September 4, 2015, GSK has exercised the Inhaled Option. Accordingly, any restrictions on the Parties as set forth in Sections 11.4(a), (b) and (c) have expired with respect to the Joint Inhaled Collaboration Know-How resulting from the Initial Inhaled Plan and each Party may use and disclose Joint Inhaled Collaboration Know-How arising from the Initial Inhaled Plan in accordance with their ownership interest therein. For clarity, as of September 4, 2015, Sections 11.4(a), (b) and (c) continue in full force and effect as such sections apply to any Joint Vaccine Collaboration Know-How resulting from the Vaccine Plan.

Confidential treatment has been requested with respect to portions of this agreement as indicated by "[***]" and such confidential portions have been deleted and filed separately with the Securities and Exchange Commission pursuant to Rule 24b-2 of the Securities Exchange Act of 1934, as amended.

12. Section 11.4 of the Agreement is hereby amended to include the following Section 11.4(d):

"(d) With respect to Joint Inhaled Collaboration Know-How arising from an Additional Inhaled Plan, each Party shall be free to use and disclose such Joint Inhaled Collaboration Know-How in accordance with their ownership interest therein, provided however, a Party seeking to disclose to or use with a Third Party any Joint Inhaled Collaboration Know-How arising from an Additional Inhaled Plan prior to the completion or termination of such Additional Inhaled Plan shall provide the Joint Patent Committee ("JPC") with a copy of such proposed disclosure or information intending to be used at least forty five (45) days prior to its intended use thereof. Before expiration of this forty five (45) day period, the JPC shall approve such disclosure or request an additional sixty (60) days to prepare and file a patent application on such subject matter. The Party seeking to disclose such Joint Inhaled Collaboration Know-How to or use such with a Third Party shall be free to use and disclose such information in accord with its ownership interest therein (i) if the JPC does not approve or request such further delay within the first forty five (45) day period or (ii) after expiration of the sixty (60) day period during which the JPC has the right to seek patent protection on any Joint Inhaled Collaboration Know-How. Notwithstanding anything to the contrary in this Section 11.4(d), each Party shall be free to use and disclose such Joint Inhaled Collaboration Know-How arising from an Additional Inhaled Plan in accordance with their ownership interest therein after completion or termination of such Additional Inhaled Plan."

13. The use and extension of the "**Inhaled Collaboration Term**" under this Amendment 2, including any Additional Inhaled Plan implemented after the exercise by GSK of the Inhaled Option, shall not revive the meaning and effect given thereto in Sections 4.1(c), 4.1(d) and 4.2(b) of the Agreement.

14. Section 15.5(b)(i) shall be renamed "**Termination Prior Inhaled Option Exercise**" and the first clause of Section 15.5(b)(i) is hereby amended and replaced with the following:

"If GSK terminates the Agreement pursuant to Section 15.3 prior to exercise of the GSK Option, then: . . ."

15. All other terms of the Agreement will remain unchanged and in full force and effect.

Confidential treatment has been requested with respect to portions of this agreement as indicated by "[***]" and such confidential portions have been deleted and filed separately with the Securities and Exchange Commission pursuant to Rule 24b-2 of the Securities Exchange Act of 1934, as amended.

IN WITNESS WHEREOF, THE PARTIES HAVE EXECUTED THIS AMENDMENT BY THEIR DULY AUTHORIZED OFFICERS AS OF THE DATE FIRST WRITTEN ABOVE.

GLAXO GROUP LIMITED		**LIQUIDIA TECHNOLOGIES, INC.**	
By:	/s/ Paul Williamson	By:	/s/ Shawn Glidden
Name:	Paul Williamson	Name:	Shawn Glidden
Title:	Authorised Signatory	Title:	VP Legal Affairs & Secretary

Exhibit 10.17

Confidential treatment has been requested with respect to portions of this agreement as indicated by "[***]" and such confidential portions have been deleted and filed separately with the Securities and Exchange Commission pursuant to Rule 24b-2 of the Securities Exchange Act of 1934, as amended.

EXECUTION VERSION

DEVELOPMENT AND LICENSE AGREEMENT

THIS DEVELOPMENT AND LICENSE AGREEMENT (the **"Agreement"**) is entered into as of June 8, 2016 (the **"Effective Date"**) by and between **LIQUIDIA TECHNOLOGIES, INC.**, a Delaware corporation, having its principal place of business at 419 Davis Dr., Suite 100, Morrisville, NC 27560 ("**Liquidia**"), and **G&W LABORATORIES, INC.**, a New Jersey corporation having its principal place of business at 111 Coolidge Street, South Plainfield, NJ 07080-3895 ("**G&W**"). Liquidia and G&W are sometimes referred to herein individually as a **"Party"** and collectively as the **"Parties"**.

BACKGROUND

WHEREAS, Liquidia controls certain technology for the formulation and/or delivery of small molecule, diagnostic, or biologic constructs into micro and/or nano particles, generally known as PRINT® Platform Technology (as further defined herein);

WHEREAS, G&W possesses resources and expertise in the research, development, marketing, and commercialization of pharmaceutical products, and desires to develop pharmaceutical products using PRINT Platform Technology;

WHEREAS, G&W desires Liquidia to apply the PRINT Platform Technology to a selected pharmaceutical product, upon the terms and conditions set forth herein; and

WHEREAS, Liquidia desires to grant to G&W certain rights and licenses as further described in this Agreement with respect to certain of Liquidia's intellectual property rights to enable G&W to develop and commercialize Licensed Products (as defined herein) on the terms and conditions set forth herein.

NOW, THEREFORE, in consideration of the foregoing premises and the mutual covenants and conditions contained in this Agreement, the Parties agree as follows:

ARTICLE 1
DEFINITIONS

As used in this Agreement, the following initially capitalized terms, whether used in the singular or plural form, shall have the meanings set forth in this ARTICLE 1. In addition, the terms "includes," "including," "include" and derivative forms of them shall be deemed followed by the phrase "without limitation" (regardless of whether it is actually written there (and drawing no implication from the actual inclusion of such phrase in some instances after such terms but not others)). Where this Agreement states that a party "shall," "will," or "must" perform in some manner or otherwise act or omit to act, it means that the party is legally obligated to do so in accordance with this Agreement. Words denoting the singular shall include the plural and vice versa, and words denoting any gender shall include all genders; words such as "herein", "hereof", and "hereunder" refer to this Agreement as a whole and not merely to the particular

---

Confidential treatment has been requested with respect to portions of this agreement as indicated by "[***]" and such confidential portions have been deleted and filed separately with the Securities and Exchange Commission pursuant to Rule 24b-2 of the Securities Exchange Act of 1934, as amended.

provision in which such words appear; and the exhibits and other attachments form part of the operative provision of this Agreement and references to this Agreement shall include references to the exhibits and attachments.

1.1 "**Acquired IP**" means any Patents and/or Information that (a) a Party Controls immediately following an Acquisition that it did not Control immediately preceding the date of the Acquisition, or (b) is owned or Controlled by an Acquiror (as defined in Section 1.10) of a Party and exists immediately prior to the date of the Change of Control.

1.2 "**Acquisition**" means a license, merger, acquisition (whether of all of the stock or of all or substantially all of the assets of an entity or any operating or business division of an entity), reorganization, consolidation, combination or similar transaction by or with a Party or any of its Affiliates that is not a Change of Control of such Party or any of its Affiliates.

1.3 **"Additional Selected Compound"** means an Option Compound for which G&W has exercised its Option that becomes an Additional Selected Compound pursuant to Section 13.3.

1.4 **"Affiliate"** means, with respect to a particular Party, a person, corporation, partnership, or other entity that directly or indirectly controls, is controlled by or is under common control with such Party. For the purposes of this definition, the word "control" (including, with correlative meaning, the terms "controlled by" or "under the common control with") means the actual power, either directly or indirectly through one or more intermediaries, to direct or cause the direction of the management and policies of such entity, whether by ownership of fifty percent (50%) or more (or such lesser percentage which is the maximum allowed to be owned by a person, corporation, partnership or other entity in a particular jurisdiction) of the voting stock of such entity, or by contract or otherwise.

1.5 "**Agreement**" has the meaning set forth in the Preamble.

1.6 "**Alliance Manager**" has the meaning set forth in Section 2.2.

1.7 **"Applicable Laws"** means, with respect to a given country, the applicable laws, statutes, rules, regulations, ordinances and other pronouncements having the effect of law of any federal, national, multinational, state, provincial, county, city or other political subdivision, and that relate to a

Party's activities under this Agreement, including any rules, regulations, guidelines, or other requirements of the Regulatory Authorities of such country.

1.8 "Annual FTE Rate" means [***] Dollars (US$[***]) per full-time employee equivalent performing [***] ([***]) hours of work per year, as adjusted annually pursuant to Section 3.3.

1.9 "Business Day" means a day other than a Saturday, Sunday, or bank or other public holiday in New York, New York.

1.10 "Change of Control" means the occurrence of any of the following: (a) a Party enters into a merger, consolidation, stock sale or sale or transfer of all or substantially all of its

assets, or other similar transaction or series of transactions with a Third Party; or (b) any transaction or series of related transactions in which any Third Party or group of Third Parties acquires beneficial ownership of securities of a Party representing more than fifty percent (50%) (or such lesser percentage which is the maximum allowed to be owned by a Third Party in a particular jurisdiction) of the combined voting power of the then outstanding securities of such Party. The entity(ies) gaining control of such Party pursuant to a transaction described in the preceding sentence are referred to herein as the "**Acquiror**". Notwithstanding the foregoing, a stock sale to underwriters of a public offering of a Party's capital stock or a stock sale to Third Parties solely for the purpose of financing or a transaction solely to change the domicile of a Party shall not constitute a Change of Control.

1.11 "Clinical Trial" means any human clinical trial of a Licensed Product.

1.12 "**Co-Chair**" has the meaning set forth in Section 2.5.

1.13 "**Combination Product**" means a Licensed Product that is (a) comprised of or contains a Formulated Compound as an active ingredient together with one (1) or more other active ingredients that are not formulated with PRINT Material, and (b) sold either as a fixed dose or as separate doses as one (1) product.

1.14 "Collaboration Know-How" means all Information that is conceived of, discovered, developed, or otherwise made by or on behalf of either Party or its Affiliates or sublicensees in connection with the research, development, manufacture or use of Selected Compounds, Formulated Compounds or Licensed Products conducted under or in connection with this Agreement, but excluding the Collaboration Patents.

1.15 "**Collaboration Patents**" mean all Patents that cover inventions that are conceived of, discovered, developed, or otherwise made by or on behalf of either Party or its Affiliates or sublicensees in connection with the research, development, manufacture or use of Selected Compounds, Formulated Compounds or Licensed Products conducted under or in connection with this Agreement.

1.16 "Commercially Reasonable Efforts" means, with respect to a Party, such efforts that are consistent with the efforts and resources generally used by such Party in the exercise of its reasonable business discretion relating to the research, development and commercialization of a pharmaceutical product owned by it or to which it has exclusive rights, with similar product characteristics, which is of similar market potential at a similar stage in its development or product life, taking into account issues of patent coverage, safety and efficacy, product profile, the competitiveness of the marketplace, the proprietary position of the product, the regulatory structure involved, the potential or actual profitability of the product (including pricing and reimbursement status achieved or to be achieved), and other relevant factors, including technical, legal, scientific and/or medical factors. For purposes of clarity, Commercially Reasonable Efforts will be determined on a market-by-market and indication-by-indication basis for a particular Licensed Product and it is anticipated that the level of effort may be different for different markets and may change over time, reflecting changes in the status of the Licensed Product and the market(s) involved.

1.17 "**Compulsory License**" means a compulsory license under Licensed Technology obtained by a Third Party through the order, decree, or grant of a competent Regulatory Authority or court, without direct or indirect authorization from G&W or its Affiliates prior to such order, decree or grant, authorizing such Third Party to develop, make, have made, use, sell, offer to sell or import a Licensed Product in the Field in any country in the Territory. For clarity, the failure of a court to enjoin infringement as a remedy in a patent infringement proceeding shall not be deemed to be a Compulsory License. The Third Party receiving a compulsory license is referred to herein as a "**Compulsory Licensee**".

1.18 "Confidential Information" means, with respect to a Party, any and all Information of such Party that is disclosed to the other Party under this Agreement, whether in oral, written, graphic, or electronic form, which may include specifications, know-how, trade secrets, technical information, models, business information, inventions, discoveries, methods, procedures, formulae, protocols, techniques, data, and unpublished patent applications, whether disclosed in oral, written, graphic, or electronic form. All Information disclosed by either Party pursuant to the Existing Confidentiality Agreement shall be deemed to be the disclosing Party's Confidential Information hereunder (with the mutual understanding and agreement that any use or disclosure thereof that is authorized under ARTICLE 12 shall not be restricted by, or be deemed a violation of, such Existing Confidentiality Agreement).

1.19 "Control" means, with respect to any material, Information, Patent or other intellectual property right, that a Party or its Acquiror (a) owns such material, Information, Patent or intellectual property right, or (b) has a license or right (other than a license or right granted to such Party under this Agreement) to use such material, Information, Patent or intellectual property right and, in each case (a) and (b), has the ability to grant to the other Party access, a right to use, a license, or a sublicense (as applicable) to the foregoing on the terms and conditions set forth herein, without violating the terms of any then-existing agreement or other arrangement with any Third Party.

1.20 "Development Plan" means the development plan and budget for the Licensed Products to be developed by G&W under this Agreement, as may be amended by G&W from time to time.

1.21 "Dollar" means a U.S. dollar, and "$" shall be interpreted accordingly.

1.22 "**Effective Date**" has the meaning set forth in the Preamble.

1.23 "Executive Officer" means, in the case of Liquidia, its Chief Executive Officer, and in the case of G&W, its Chief Executive Officer, or in each case, such Executive Officer's designee, provided such designee is at a Vice President level or above.

1.24 "**Exercise Notice**" has the meaning set forth in Section 13.3.

1.25 "Existing Confidentiality Agreement" means the Mutual Confidentiality Agreement entered into by the Parties with an Effective Date of February 6, 2015.

Confidential treatment has been requested with respect to portions of this agreement as indicated by "[***]" and such confidential portions have been deleted and filed separately with the Securities and Exchange Commission pursuant to Rule 24b-2 of the Securities Exchange Act of 1934, as amended.

1.26 "FDA" means the U.S. Food and Drug Administration or any successor entity (including, as applicable, a foreign equivalent thereof).

1.27 "FD&C Act" means the U.S. Federal Food, Drug and Cosmetic Act, as amended, and applicable regulations promulgated thereunder by the FDA.

1.28 "Field" means all applications of Formulated Compound or Licensed Product (a) formulated for administration to the skin for the treatment or prophylaxis of skin diseases, disorders or conditions in humans, (b) formulated for administration to the skin for the treatment or prophylaxis of skin symptoms of non-skin diseases, disorders or conditions in humans, or (c) in suppository form for the local treatment of mucosa in humans. Field expressly excludes the use of any Formulated Compound or Licensed Product (i) as a vaccination, (ii) through delivery to mucosal membranes (other than through use of suppository), including nasal and lung tissue, (iii) through delivery via inhalation, (iv) for ophthalmology or (v) where the active ingredients are delivered across the skin to treat non-skin diseases, disorders or conditions (it being understood that such administration may be directly to the skin for intended delivery across the skin).

1.29 "First Commercial Sale" means, with respect to a Licensed Product on a country-by-country basis, the first sale to a Third Party of such Licensed Product in such country by or on behalf of G&W, its Affiliates or sublicensees after Regulatory Approval in such country. Sales prior to receipt of Regulatory Approval for such Licensed Product including so-called "treatment IND sales," "named patient sales," and "compassionate use sales," shall not be construed as a First Commercial Sale.

1.30 "First Selected Compound" means the pharmaceutically active ingredient [***] having the structure set forth in **Exhibit 1.30**

1.31 "**Formulated Compound**" means a Selected Compound as formulated with PRINT Material by Liquidia pursuant to this Agreement or any other agreement entered into by the Parties, including a Supply Agreement, or by a Third Party expressly authorized by Liquidia.

1.32 "GCPs" means the then-current standards, practices and procedures promulgated or endorsed by the FDA or other Regulatory Authorities for the design, conduct, performance, monitoring, auditing, recording, analyses, and reporting of clinical trials, as set forth in 21 C.F.R. Parts 210 and 211, as may be amended from time to time, or any successor thereto, or in the guidelines titled "Guidance for Industry E6 Good Clinical Practice: Consolidated Guidance," and comparable regulatory standards, practices and procedures in jurisdictions outside the U.S., as they may be updated from time to time, that provide assurance that the data and reported results are credible and accurate, and that the rights, integrity, and confidentiality of trial subjects are protected.

1.33 "Generic Compound" means a compound that had been covered by an issued Patent in the United States but is no longer covered by any issued Patent in the United States that provides market exclusivity.

Confidential treatment has been requested with respect to portions of this agreement as indicated by "[***]" and such confidential portions have been deleted and filed separately with the Securities and Exchange Commission pursuant to Rule 24b-2 of the Securities Exchange Act of 1934, as amended.

1.34 "**GLPs**" means the then-current good laboratory practice standards promulgated or endorsed by the FDA as defined in 21 C.F.R. Part 58, and comparable regulatory standards in jurisdictions outside the U.S., as they may be updated from time to time, including applicable quality guidelines promulgated under the International Conference on Harmonization .

1.35 "GMPs" means the then-current good manufacturing practices required by the FDA, as defined in 21 C.F.R. Parts 210 and 211 and the regulations promulgated thereunder, for the manufacture and testing of pharmaceutical materials, and comparable laws or regulations applicable to the manufacture and testing of pharmaceutical materials in jurisdictions outside the U.S., as they may be updated from time to time. GMPs shall include applicable quality guidelines promulgated under the International Conference on Harmonization.

1.36 "General Biological Effects" means biological effect(s) resulting from or enabled by (a) the particle matrix composition, excipients, size, shape or the manufacture of PRINT particles, or (b) the use of the PRINT Platform Technology with applicability to molecules, compounds, polymers, substances and biological samples other than those under development with G&W under this Agreement (e.g., where the same particle design may be used with a different active ingredient).

1.37 **"Governmental Authority"** means any multi-national, federal, state, local, municipal, provincial or other government authority of any nature (including any governmental division, prefecture, subdivision, department, agency, bureau, branch, office, commission, council, court or other tribunal).

1.38 "**G&W"** has the meaning set forth in the Preamble.

1.39 **"G&W Background IP"** means all Patents and Information Controlled by G&W that exist prior to the Effective Date or arise outside of this Agreement and that are necessary or reasonably useful for the research, development, making, use, offering for sale, sale and importation of Formulated Compounds or Licensed Products.

1.40 **"G&W Collaboration Know-How"** means all Collaboration Know-How (i) solely relating to the G&W Background IP, or (ii) solely discovered by G&W where such Collaboration Know-How is unrelated to PRINT Platform Technology, PRINT Improvements and PRINT Tooling.

1.41 **"G&W Collaboration Patent"** means all Collaboration Patents (i) solely relating to the G&W Background IP or (ii) solely invented by G&W where such Patent is unrelated to PRINT Platform Technology, PRINT Improvements and PRINT Tooling.

1.42 **"G&W Technology"** means the G&W Background IP, G&W Collaboration Patents, G&W Collaboration Know-How, G&W's interest in Joint Collaboration Patents and G&W's interest in Joint Collaboration Know-How.

1.43 **"IND"** means (a) an Investigational New Drug Application as defined in the FD&C Act and applicable regulations promulgated thereunder by the FDA, or (b) the equivalent application to the equivalent Regulatory Authority in any other regulatory jurisdiction, the filing

of which is necessary to initiate or conduct clinical testing of a pharmaceutical product in humans in such jurisdiction.

1.44 **"Information"** means any data, results, and information of any type whatsoever, in any tangible or intangible form, including know-how, trade secrets, practices, techniques, methods, processes, inventions, developments, specifications, formulations, formulae, materials or compositions of matter of any type or kind, software, algorithms, marketing reports, clinical and non-clinical study reports, regulatory submission summaries and regulatory submission documents, expertise, technology, test data including pharmacological, biological, chemical, biochemical, toxicological, and clinical test data, analytical and quality control data, stability data, studies and procedures, in each case, whether or not patentable or copyrightable.

1.45 **"Initiation"** of a clinical trial means the first dosing of the first patient in such clinical trial.

1.46 **"Joint Collaboration Know-How"** means all Collaboration Know-How other than G&W Collaboration Know-How and Liquidia Collaboration Know-How.

1.47 **"Joint Collaboration Patent"** means all Collaboration Patents other than G&W Collaboration Patents and Liquidia Collaboration Patents.

1.48 **"Joint Steering Committee"** or **"JSC"** has the meaning ascribed in Section 2.3.

1.49 **"Lab-Line Day" or "LLD"** means a single day shift for Liquidia's PRINT manufacturing.

1.50 **"Licensed Know-How"** means all Information Controlled as of the Effective Date or thereafter during the term of this Agreement by Liquidia and necessary or reasonably useful for the research, development, making, use, offering for sale, sale or importation of Formulated Compounds or Licensed Products, and including the Liquidia Collaboration Know-How. Notwithstanding the foregoing, Licensed Know-How shall exclude (a) Joint Collaboration Know-How, (b) PRINT Tooling, and (c) any Information that is Acquired IP.

1.51 **"Licensed Patents"** means all Patents that are Controlled by Liquidia as of the Effective Date or thereafter during the term of this Agreement (including the Liquidia Collaboration Patents) and that claim or cover PRINT Platform Technology, PRINT Improvements, PRINT Material, Formulated Compound or Licensed Products or that would otherwise be infringed, absent a license, by the making, use, offering for sale, sale or importation of any Formulated Compound or Licensed Product in the Field. Notwithstanding the foregoing, Licensed Patents shall exclude (a) the Joint Collaboration Patents, (b) any Patents to the extent claiming, covering or disclosing PRINT Tooling, and (c) any Patents that are Acquired IP. Licensed Patents existing as of the Effective Date are set forth in **Exhibit 1.51** .

1.52 **"Licensed Product"** means any product that comprises or contains a Formulated Compound.

1.53 **"Licensed Technology"** means the Licensed Patents, Licensed Know-How, and Liquidia's interest in Joint Collaboration Patents and Joint Collaboration Know-How, except, in each case, to the extent applicable to PRINT Tooling.

1.54 "**Liquidia**" has the meaning set forth in the Preamble.

1.55 **"Liquidia Collaboration Know-How"** means all Collaboration Know-How (i) solely related to the PRINT Platform Technology, PRINT Tooling or PRINT Improvements or (ii) related to PRINT Platform Technology, PRINT Improvements and PRINT Tooling and that could be used with

compounds other than Selected Compounds.

1.56 "Liquidia Collaboration Patents" means all Collaboration Patents (i) solely related to the PRINT Platform Technology, PRINT Tooling and PRINT Improvements, or (ii) related to PRINT Platform Technology, PRINT Improvements and PRINT Tooling and that could be used with compounds other than Selected Compounds.

1.57 "LLD Rate" means (a) for non-GMP material for research purposes, [***] Dollars (US$[***]) per LLD; (b) for GLP material for research purposes, [***] Dollars (US$[***]) per LLD; and (c) for GMP clinical and commercial material, [***] Dollars (US$[***]) per LLD, provided that, beginning January 1, 2018, the then-current LLD Rate shall be subject to adjustment annually based on an amount equal to the change, if any, in the Producer Price Index for pharmaceutical preparation manufacturing (code 325412), calculated by the Bureau of Labor Statistics during the immediately preceding calendar year.

1.58 "Marketing Authorization Application" or "MAA" means an application for Regulatory Approval in a country, territory or possession, including an NDA in the U.S.

1.59 "Major EU Market" means the United Kingdom, France, Spain, Italy and Germany.

1.60 "NDA" means a New Drug Application or supplemental New Drug Application, as defined in the FD&C Act.

1.61 "Net Sales" means:

(a) the gross amount billed or invoiced by or for the benefit of G&W, its Affiliates, and its Sublicensees to independent, unrelated persons in bona fide arm's length transactions with respect to a Licensed Product, less the following deductions, as allocable to such Licensed Product (if not previously deducted from the amount invoiced):

(i) transportation charges and other related charges, such as freight, handling and insurance;

(ii) sales and excise taxes, customs duties or other governmental tariffs (other than income tax) paid by the selling party and any other governmental charges imposed upon the sale of such Licensed Product and actually paid;

(iii) trade, quantity and discounts or chargebacks actually granted, allowed or incurred in connection with the sale of such Licensed Product;

(iv) allowances or credits to customers actually given and not in excess of the selling price of such Licensed Product, on account of rejection, outdating, recalls or return of such Licensed Product;

(v) rebates, reimbursements, fees or similar payments to wholesalers and other distributors, pharmacies and other retailers, buying groups (including group purchasing organizations), health care insurance carriers, pharmacy benefit management companies, health maintenance organizations, Governmental Authorities, or other institutions or health care organizations;

(vi) the portion of administrative fees paid during the relevant time period to group purchasing organizations, pharmaceutical benefit managers or Medicare Prescription Drug Plans specifically relating to such Licensed Product;

(vii) any invoiced amounts from a prior period which are not collected and are written off by G&W or its Affiliates, including bad debts;

(viii) that portion of the annual fee on prescription drug manufacturers imposed by the Patient Protection and Affordable Care Act, Pub. L. No. 111-148 (as amended) reasonably allocable to sales of the Licensed Products; and

(ix) any other similar and customary deductions that are consistent with G&W's accounting standards as consistently applied in accordance with US GAAP, but which may not be duplicative of the deductions specified in (i) – (vii) above.

If a single item falls into more than one of the categories set forth in clauses (i)-(viii) above, such item may not be deducted more than once.

(b) Sales between G&W and its Affiliates and Sublicensees shall be disregarded for purposes of calculating Net Sales except if such purchaser is a distributor, pharmacy or end user. No deductions shall be made for commissions paid to individuals, whether they are with independent sales agencies or regularly employed by G&W or Sublicensees, and on its payroll, or for the cost of collections. Compassionate use shall also be excluded from Net Sales calculations for all purposes and Net Sales shall not include transfers or dispositions at no cost for promotional, or below market value for pre-clinical, clinical, or regulatory purposes.

(c) With respect to any sale of any Licensed Product in a given country for any substantive consideration other than monetary consideration on arm's length terms (which has the effect of reducing the invoiced amount below what it would have been in the absence of such non-monetary consideration), for purposes of calculating the Net Sales, such Licensed Product shall be deemed to be sold exclusively for cash at the average Net Sales price charged to Third Parties for cash sales of such Licensed Product in such country during the applicable reporting period (or if there were only de minimis cash sales in such country, at the fair market value as determined in good faith based on pricing in comparable markets).

(d) In the event the Licensed Product is sold as part of a Combination Product, the Net Sales from the Combination Product shall be determined by multiplying the Net Sales of the Combination Product (as defined in the standard Net Sales definition), during the applicable royalty reporting period, by the fraction A/A+B, where A is the average sale price of the Licensed Product when sold separately in finished form and B is the average sale price of the other active ingredient(s) included in the Combination Product when sold separately in finished form, in each case during the applicable royalty reporting period in which sales of both occurred. If the average sale price cannot be determined for both the Licensed Product and all other product(s) included in the Combination Product, Net Sales for the purposes of determining royalty payments shall be calculated by multiplying the Net Sales of the Combination Product by the fraction C/C+D, where C is the fair market value of the Licensed Product and D is the fair market value of all other product(s) included in the Combination Product.

(e) Net Sales shall be calculated on an accrual basis, in a manner consistent with G&W's accounting policies for external reporting purposes, as consistently applied in accordance with US GAAP. To the extent any accrued amounts used in the calculation of Net Sales are estimates, such estimates shall be trued-up in accordance with G&W's accounting policies for external reporting purposes, as consistently applied in accordance with US GAAP, and Net Sales and related payments under this Agreement shall be reconciled as appropriate.

1.62 "Option Compound" has the meaning set forth in Section 13.2.

1.63 "**Option Period**" has the meaning set forth in Section 13.1.

1.64 "**Party**" and "**Parties**" has the meaning set forth in the Preamble.

1.65 "Patents" means (a) pending patent applications, issued patents, utility models and designs; (b) reissues, substitutions, confirmations, registrations, validations, re-examinations, additions, continuations, continued prosecution applications, continuations-in-part, or divisionals of or to any of the foregoing; and (c) extensions, renewals or restorations of any of the foregoing by existing or future extension, renewal or restoration mechanisms, including supplementary protection certificates or the equivalent thereof.

1.66 "Phase 1 Clinical Trial" means a human clinical trial of a Licensed Product.

1.67 "Phase 3 Clinical Trial" means a human clinical trial of a Licensed Product on a sufficient number of subjects in an indicated patient population that is designed to establish that a Licensed Product is safe and efficacious for its intended use and to determine the benefit/risk relationship, warnings, precautions, and adverse reactions that are associated with such product in the dosage range to be prescribed, which trial is intended to support marketing approval of such Licensed Product pursuant to Applicable Law, including a trial referred to in 21 C.F.R. §312.21(c), as amended. For clarity, a human clinical trial that meets the requirements of the preceding sentence will be deemed to be a Phase 3 Clinical Trial, whether or not denominated a "Phase 3" clinical trial under applicable regulations.

1.68 "Price Approval" means, in any country where a Governmental Authority authorizes reimbursement for, or approves or determines pricing for, pharmaceutical products,

Confidential treatment has been requested with respect to portions of this agreement as indicated by "[***]" and such confidential portions have been deleted and filed separately with the Securities and Exchange Commission pursuant to Rule 24b-2 of the Securities Exchange Act of 1934, as amended.

receipt (or, if required to make such authorization, approval or determination effective, publication) of such reimbursement authorization or pricing approval or determination (as the case may be).

1.69 "PRINT" means Liquidia's proprietary micro or nano-fabrication process for producing particles and particles on a film of a predetermined size, shape and composition (generally known as PRINT® (Particle Replication In Nonwetting Template)), including all processes, systems and materials (including using molds, but excluding making molds) for producing such particles, and all Liquidia proprietary substances used in making any such particles. For the avoidance of doubt, PRINT does not include PRINT Material generated using PRINT under this Agreement, or the PRINT Tooling.

1.70 "PRINT Improvements" means (a) any improvements or modifications to General Biological Effects; and/or (b) any Information to the extent solely related to PRINT Platform Technology and made or generated in connection with the manufacturing of PRINT Material or Licensed Products, made by either Party or the Parties jointly, and in each case of G&W, its Affiliates or sublicensees (for clarity, including Third Party manufacturers), under this Agreement, as well as any Patents claiming or covering any of the foregoing.

1.71 "PRINT Material" means a particle or a group of particles that is developed, manufactured or otherwise produced using PRINT Platform Technology. For clarity, "particle(s)" may refer to the composition of the particles, including excipients that prevent degradation or provide stabilization to the particle(s). Liquidia may use PRINT Tooling to produce PRINT Material, but such use shall not be deemed a license to G&W with respect to such PRINT Tooling.

1.72 "PRINT Platform Technology" means Liquidia's platform technology relating to PRINT, including PRINT Material generated using PRINT, but expressly excluding PRINT Tooling.

1.73 "PRINT Tooling" means Liquidia's proprietary information, trade secrets, processes, systems, materials and substrates for fabricating the patterned drums (including the patterned drums themselves) and molds (excluding the molds themselves) that enable PRINT Platform Technology. For the avoidance of doubt, PRINT Tooling does not include PRINT or PRINT Material generated using PRINT.

1.74 "Regulatory Approval" means all approvals, licenses, registrations or authorizations of any Governmental Authority necessary for the development or commercialization of a Formulated Compound or Licensed Product, including clinical testing, manufacture, marketing, distribution,

importation, use and/or sale of a Licensed Product for one or more indications in the Field in a country or regulatory jurisdiction, which may include satisfaction of all applicable regulatory and notification requirements, but excluding Price Approval.

1.75 "Regulatory Authority" means, in a particular country or regulatory jurisdiction, any applicable Governmental Authority involved in granting Regulatory Approval and/or, to the

extent required in such country or regulatory jurisdiction, pricing or reimbursement approval of a Product in such country or regulatory jurisdiction, including (a) the FDA, (b) the European Medicines Agency (**"EMA"**), (c) the European Commission, and (d) Japanese Ministry of Health, Labour and Welfare (**"MHLW"**), (e) Japanese Pharmaceuticals and Medical Devices Agency (**"PMDA"**) and in each of (a) through (e), including any successor thereto.

1.76 "Regulatory Materials" means regulatory applications, submissions, notifications, communications, correspondence, registrations, MAAs, Regulatory Approvals and/or other filings made to, received from or otherwise conducted with, or other approvals granted by, a Regulatory Authority that are necessary or reasonably desirable in order to develop, manufacture, market, sell or otherwise commercialize a Formulated Compound and/or Licensed Product in a particular country or regulatory jurisdiction. Regulatory Materials include INDs, MAAs, and NDAs.

1.77 "Royalty Term" means, on a Licensed Product-by-Licensed Product and country-by-country basis, from the Effective Date until the later of: (a) [***] ([***]) years from the date of First Commercial Sale of such Licensed Product in such country; or (b) the expiration of the last-to-expire Valid Claim that covers such manufacture, use, sale or import of such Licensed Product in the country in which such Licensed Product is sold.

1.78 "SEC" means the U.S. Securities and Exchange Commission.

1.79 "Selected Compound" means the First Selected Compound and/or an Additional Selected Compound, as applicable.

1.80 "**Stage**" has the meaning set forth in Section 3.1.

1.81 "Sublicensee" means any Third Party granted a sublicense by G&W to the rights licensed to G&W pursuant to ARTICLE 7 hereof. For purposes of Section 8.3, "Sublicensee" shall also include any Compulsory Licensee.

1.82 "Supply Agreement" has the meaning set forth in Section 3.4.

1.83 "Tax" means any tax (including any income tax, franchise tax, capital gains tax, gross receipts tax, value-added tax, surtax, excise tax, ad valorem tax, transfer tax, stamp tax, sales tax, use tax, property tax, business tax, withholding tax or payroll tax), levy, assessment, tariff, duty (including any customs duty), deficiency or fee, and any related charge or amount (including any fine, addition, penalty or interest), imposed, assessed or collected by any Governmental Authority.

1.84 "Terminated Territory" has the meaning set forth in Section 14.7(c).

1.85 "Territory" means all countries in the world, subject to Section 14.7(c).

1.86 "Third Party" means any entity other than Liquidia or G&W or an Affiliate of either of them.

1.87 "Third Party Licenses" means those license agreements entered into, or to be entered into, by and between a Party or its Affiliate, on the one hand, and a Third Party, on the other hand, to license intellectual property of the Third Party that is determined to be necessary or useful for the research, development, manufacture, distribution, advertising or marketing, making, use, sale, offering to sell or importation of any Licensed Product. Third Party Licenses entered into by each of the Parties prior to the Effective Date are set forth in **Exhibit 1.84**.

1.88 "**UNC Agreement**" has the meaning set forth in Section 7.4.

1.89 "U.S." means the United States of America (including all possessions and territories thereof).

1.90 "US GAAP" means generally accepted accounting principles in the U.S.

1.91 "Valid Claim" means (a) a claim (including a process, use, or composition of matter claim) of an issued and unexpired Patent included within the Licensed Patents or Joint Collaboration Patents, which has not been revoked, held invalid or unenforceable by a patent office, court or other governmental agency or an intergovernmental agency of competent jurisdiction, which holding is unappealable or unappealed within the time allowed for appeal, or which has not been admitted to be invalid by the owner through reissue, disclaimer or otherwise; or (b) a claim (including a process, use or composition of matter claim) within a Joint Collaboration Patent application that is pending for less than seven (7) years from its earliest priority date and that has not been finally revoked, cancelled, withdrawn or affirmatively abandoned, or held invalid, unenforceable, unpatentable, or abandoned by a patent office, court or other governmental agency or intergovernmental agency of competent jurisdiction, which hold is unappealable or unappealed within the time allowed for appeal. Notwithstanding the foregoing, a Valid Claim shall exclude (i) any pending or issued claim of a patent application of any G&W Collaboration Patent, and/or (ii) any pending patent application within the Collaboration Patents that G&W decides to abandon or not prosecute and is prosecuted by Liquidia).

1.92 **"Work Plan"** has the meaning ascribed in Section 3.1.

ARTICLE 2
OVERVIEW; JSC

2.1 **Overview**. Liquidia shall use reasonable efforts to develop, manufacture and supply Formulated Compound for G&W as and to the extent set forth in the applicable Work Plan and as agreed by the Parties in good faith with respect to the applicable Development Plan in accordance with the terms of this Agreement. G&W shall have the sole right to research, develop and commercialize Formulated Compounds and Licensed Products in the Field in the Territory in accordance with the terms of this Agreement, at its sole expense, including the further processing of such Formulated Compounds into Licensed Products as needed for development and commercialization.

2.2 **Alliance Manager.** Each Party will appoint a representative who will serve as such Party's alliance manager ("**Alliance Manager**") for purposes of this Agreement and who

will be responsible for coordinating such Party's performance of its obligations under this Agreement with the other Party and communicating with the other Party regarding matters relating to this Agreement.

2.3 **Joint Steering Committee**. Promptly following the Effective Date, but no later than thirty (30) days after the Effective Date, the Parties shall establish a joint steering committee (the "**Joint Steering Committee**" or "**JSC**") to oversee, review and coordinate the conduct and progress of the research, development and commercialization of Licensed Products in the Field in the Territory. The JSC will have the following powers and responsibilities:

(a) draft and approve the full version of each Work Plan;

(b) modify and update each Work Plan;

(c) except as expressly set forth in this Agreement, decide upon the areas of specific responsibility and the allocation of work to be carried out by the Parties in each Work Plan;

(d) decide on timelines, budgets, budget overruns and specifics of any research service to be performed by contract research organizations under each Work Plan;

(e) monitor the work of the Parties under each Work Plan;

(f) advise and assist in the resolution of any scientific or technical difficulties, which are experienced by either Party in performing each Work Plan;

(g) assess the results of each Work Plan and decide how and in what ways particles of the Selected Compound should be further researched under such Work Plan;

(h) align and execute on a publication plan for each Licensed Product; and

(i) exchange information and plans regarding the development of, regulatory strategy for, and commercialization of Licensed Products.

2.4 **JSC Membership**. The JSC shall be comprised of an equal number of representatives from each of Liquidia and G&W. These representatives shall have appropriate technical credentials, experience, knowledge and decision-making authority relevant to the matters to be discussed at the JSC. The exact number of such representatives shall initially be three (3) for each of Liquidia and G&W, or such other number as the Parties may agree. Either Party may replace its respective JSC representatives at any time with prior written notice to the other Party. If a JSC member from either Party is unable to attend or participate in a JSC meeting, then the Party who designated such representative may designate a substitute representative for the meeting in its sole discretion.

2.5 **JSC Co-Chairs.** Each Party shall appoint one of its members to the JSC to co-chair the JSC's meetings (each, a "**Co-Chair**"). The Co-Chairs shall (a) ensure the orderly conduct of the JSC's meetings, and (b) alternate in preparing and issuing (or designate another

JSC representative of such Party to prepare and issue) written minutes of each meeting within thirty (30) days thereafter accurately reflecting the discussions of the JSC, but shall not otherwise have any authority greater than any other JSC member. If the Co-Chair from either Party is unable to attend or participate in a JSC meeting, then the Party who designated such Co-Chair may designate a substitute Co-Chair for the meeting in its sole direction.

2.6 **JSC Meetings.** The JSC shall meet quarterly or on such other frequency as may be agreed by the Parties. Unless otherwise agreed, JSC meetings will be face-to-face at least once every calendar year, with the location of such meeting alternating between the Parties' respective facilities, and otherwise may be conducted by telephone, videoconference or in person as determined by the Co-Chairs. As appropriate, other employee representatives of the Parties may attend JSC meetings as non-voting observers if mutually agreed by the Parties. Each Party may also have non-employee representatives

attend JSC meetings as non-voting observers with prior notice to the other Party; provided that each such non-employee representative shall be subject to written obligations of confidentiality consistent with ARTICLE 12. Each Party may also call for special meetings of the JSC to resolve particular matters requested by such Party and within the areas of responsibility of the JSC. Each Co-Chair shall ensure that its JSC members receive adequate notice of such meetings. Each Alliance Manager and/or other designated representatives of a Party shall have the right to attend any JSC meeting as a non-voting observer. Each Party shall be responsible for all of its own expenses of participating in the JSC. No action taken at any JSC meeting shall be effective unless a voting representative of each Party is participating.

2.7 Decisions. Each Party shall have one (1) vote, irrespective of its number of JSC members. All decisions of the JSC shall be made in good faith and shall be unanimous. In the event the JSC is unable promptly to reach a decision on any matter related to the direction or conduct of the Work Plan, including a change in a budget or timeline, after good faith attempts to resolve such disagreement, then either Party may refer the disagreement to a meeting between Executive Officers of each Party. If such persons cannot resolve such disagreement the status quo shall prevail and Liquidia shall complete the activities set forth in the Work Plan without the proposed changes.

2.8 Minutes. The JSC shall keep accurate and complete minutes of its meetings. The Co-Chair responsible for the minutes for a JSC meeting shall distribute to all JSC members draft minutes of such meeting within fifteen (15) days following such meeting. The other Party shall provide its written comments or acceptance of such minutes within fifteen (15) days of its receipt thereof. All records of the JSC shall be available at all times to each Party.

2.9 Information-Sharing. Each Party shall promptly provide to the JSC such Information as it may reasonably request for the performance of its duties.

2.10 Limitation of JSC Authority. The JSC shall only have the powers expressly assigned to it in this ARTICLE 2 and elsewhere in this Agreement and shall not have the authority to: (a) modify or amend the terms and conditions of this Agreement; (b) waive either Party's compliance with the terms and conditions of under this Agreement; or (c) determine any

such issue in a manner that would conflict with the express terms and conditions of this Agreement.

2.11 Experimental Nature. Each Party acknowledges and agrees that the Formulated Compounds are experimental in nature and no specific result or end point can be assured. Accordingly, performance of the research and development activities hereunder without achieving a desired result or end point shall not alone constitute a breach of this Agreement.

ARTICLE 3
LIQUIDIA SUPPLY OF FORMULATED COMPOUND

3.1 Work Plans. The Parties shall agree upon a "**Work Plan**" for the manufacture and supply of Formulated Compound for each Selected Compound by Liquidia to G&W during the period described in such plan. Each Work Plan shall set forth the Parties' respective responsibilities, deliverables and estimated timelines and costs. The stages of each Work Plan (each, a "**Stage**") shall include:

(a) Stage 1 - Design/deliver Formulated Compound for non-clinical studies

(b) Stage 2 - Process development for initial GMP manufacturing of Formulated Compound

(c) Stage 3 - Delivery of GMP Formulated Compound for Phase 1 and Phase 2 clinical studies

The Work Plan for the First Selected Compound is attached as **Exhibit 3.1**. The Work Plan may be otherwise updated by the Parties' written agreement.

3.2 Reimbursement to Liquidia.

(a) For each Work Plan, G&W will reimburse Liquidia for the following to the extent consistent with the Work Plan and associated approved budget upon completion of agreed stages in the Work Plan or as otherwise set forth in such Work Plan: (a) any Third Party expenses or fees, (b) FTEs at the Annual FTE Rate; (c) LLDs at the applicable LLD Rate, and (d) batch costs for GXP production as updated and described in the Work Plan, in each case calculated in accordance with Liquidia's standard accounting practices and similar arrangements with Third Parties. Such reimbursement shall be in accordance with those amounts and timeframes set forth in the Work Plan.

(b) Liquidia shall use Commercially Reasonable Efforts to ensure that the actual costs associated with the performance of activities allocated to it in the Work Plan for a Stage do not exceed [***] percent ([***]%) of the budgeted costs allocated for such Stage as set forth in the Work Plan and budget. Costs for the performance of all activities described in the Work Plan for a Stage that exceed the estimated allocated costs therefor as set forth in the budget by up to [***] percent ([***]%) shall be referred to herein as the "**Permitted Overage**", and such costs shall be reimbursable by G&W in accordance with this Section. In the event that G&W has not pre-approved in writing a spend in excess of a Permitted Overage, then Liquidia

shall be solely responsible for the costs it incurs which are in excess of the budget (plus the Permitted Overage), and any such excess costs shall not be reimbursed by G&W hereunder. For clarity, any costs incurred by Liquidia that are in excess of the budget for such costs as set forth in the Work Plan and budget (plus the Permitted Overage) shall be borne solely by Liquidia and shall not be subject to reimbursement.

(c) With respect to Stage 1 of a Work Plan, G&W shall make partial payment for each instance of delivery of drug particles. For example, if four (4) particles are anticipated in the Work Plan, and two (2) particles are delivered with two (2) more to follow, then G&W will reimburse Liquidia upon delivery of the first two (2) particles for the work conducted to date on the first two (2) particles under the Work Plan.

3.3 Adjustments to Annual FTE Rate. The Annual FTE Rate shall be adjusted annually commencing January 1, 2017 by a factor equal to the rate of change for the previous calendar year in the Producer Price Index for pharmaceutical preparation manufacturing (code #325412) as published by the Bureau of Labor Statistics of the U.S. Department of Labor. Such adjusted rate shall be effective on the first day of each calendar year.

3.4 Additional Supply. Upon completion of the supply described in a Work Plan, or upon G&W's earlier request, as applicable, the Parties shall negotiate in good faith the commercially reasonable terms of an agreement pursuant to which Liquidia would manufacture and supply the Formulated Compound that was the subject of such Work Plan in quantities sufficient to support the further development and commercialization of the Licensed Products containing such Formulated Compound (a "**Supply Agreement**"). Each Supply Agreement will contain the following terms:

(a) G&W would be responsible for supplying the Selected Compound to be used in producing the Formulated Compound;

(b) Liquidia would produce and supply, or have produced and supplied, the Formulated Compound to G&W;

(c) For non-commercial supply, G&W would reimburse Liquidia for (i) any Third Party expenses or fees, (ii) FTEs at the Annual FTE Rate; (iii) LLDs at the applicable LLD Rate for the supply of Formulated Compound to G&W, (iv) batch costs for GXP production, and (v) other costs directly relating to non-commercial supply such as start up, scale up or capital expenditures, in each case calculated in accordance with Liquidia's standard accounting practices and similar arrangements with Third Parties;

(d) For commercial supply, G&W would reimburse Liquidia for the cost of goods (to be defined in such Supply Agreement) and other costs of supply for the supply of Formulated Compound to G&W plus [***] percent ([***]%). For clarity, such [***] percent ([***]%) markup shall not apply to any allocated, start up, scale up, or capital expenditures; and

(e) Commercially reasonable terms for addressing a failure to supply, including the right to make PRINT Material or Formulated Compound and have access to PRINT Tooling through a designated Third Party in the event of such defined supply failure.

3.5 Manufacturing Records. Liquidia shall maintain complete, current and accurate records (in the form of technical notebooks and/or electronic files where appropriate) of all work and activities conducted by it in connection its activities under the Work Plan and all Information resulting from such work and activities. Such records, including any electronic files where such Information may also be contained, shall fully and properly reflect all work done and results achieved in the performance of the Work Plan in sufficient detail and in good scientific manner appropriate for patent and regulatory purposes. Upon request, G&W shall have the right to access and receive copies of all such Information, including any pre-clinical data. Upon reasonable prior notice and during business hours, G&W shall have the right to visit the facilities in which the Work Plan is performed.

ARTICLE 4
DEVELOPMENT

4.1 General. G&W shall have the sole right to develop Licensed Products in the Field in the Territory, including performing pre-clinical development, Clinical Trials, manufacturing of Licensed Products, and seeking Regulatory Approval for Licensed Products in the Territory, and shall be responsible for all costs and activities associated therewith. Without limiting the foregoing and at a minimum, for each Selected Compound, G&W shall use Commercially Reasonable Efforts to develop and apply for Regulatory Approval for at least one Licensed Product containing such Selected Compound for use in the Field in at least (a) the United States within six (6) years from the Effective Date (with respect to the First Selected Compound) and within six (6) years of such Selected Compound becoming an Additional Selected Compound in accordance with Section 13.3 (for each Additional Selected Compound), and (b) in the Major EU Markets and other major commercial markets in the Territory following the first Regulatory Approval of a Licensed Product in the United States.

4.2 Development Plan; Reporting. G&W's initial outline of its Development Plan for the Selected Compound and Licensed Products shall be provided to Liquidia within sixty (60) days after the Effective Date. G&W shall provide Liquidia with an updated Development Plan within twelve (12) months through the JSC following the Effective Date, and shall update the Development Plan at least annually. At each JSC meeting, G&W and Liquidia shall discuss G&W's progress under the Development Plan in a sufficient level of detail to permit Liquidia to assess G&W's compliance with its diligence obligations under Section 4.1.

4.3 Development Records and Data. G&W shall maintain complete and accurate records regarding the Development of Licensed Products in accordance with its practices for other products. Liquidia shall have the right to access Liquidia Collaboration Know-How generated by G&W and such information shall be Liquidia's Confidential Information. Notwithstanding anything to the contrary herein, Liquidia shall have the right to use and disclose such Liquidia Collaboration Know-How as owner thereof, subject to the license granted to G&W hereunder. In addition, the Parties will implement full information disclosure terms in the event the Parties are profit sharing with respect to any future Selected Compound.

ARTICLE 5
REGULATORY MATTERS

5.1 Regulatory Filings and Approvals.

(a) Regulatory Responsibilities.

(i) G&W. G&W shall have the sole right, at its sole cost, to prepare and file all Regulatory Materials for the Licensed Products in the Field in the Territory, shall be the holder of all such Regulatory Materials and shall be responsible for interactions with Regulatory Authorities concerning Licensed Products in the Field in the Territory. All Licensed Product-related Regulatory Materials shall be solely owned by G&W. G&W will promptly notify Liquidia regarding the material Licensed Product-related regulatory activities, including status of regulatory submissions and meetings with Regulatory Authorities that may materially impact the development of any Licensed Product or registration package for a particular Licensed Product, and review of outcomes of such meetings. G&W shall provide Liquidia with copies of all material regulatory submissions reasonably in advance of filing such that Liquidia may review and offer comments to such submissions. G&W will consider such comments in good faith. G&W shall promptly provide Liquidia with copies of Regulatory Materials for the Licensed Products.

(ii) Liquidia.

(1) Liquidia shall be responsible, at its sole cost, for regulatory matters for PRINT and PRINT Tooling (if applicable), and Liquidia will submit, own and maintain each drug master file that is specifically related to PRINT or PRINT Tooling, if applicable.

(2) If Liquidia receives any written or oral communication from any Regulatory Authority relating to a Formulated Compound or Licensed Product in the Field in the Territory, Liquidia shall (A) refer such Regulatory Authority to G&W to the extent permitted by Applicable Laws, and (2) as soon as reasonably practicable (but in any event within two (2) Business Days), notify G&W and provide G&W with a copy of any written communication received by Liquidia or, if applicable, complete and accurate minutes of such oral communication. At the reasonable request of G&W, Liquidia shall make available to G&W, at G&W's expense and at the FTE Rate, a qualified representative who shall, together with the representatives of G&W, participate in and contribute to meetings with the Regulatory Authorities with respect to regulatory matters relating to the Licensed Technology as applied to the Licensed Products in the Field.

5.2 Product Withdrawals and Recalls. If any Regulatory Authority (a) threatens, initiates or advises any action to remove any Licensed Product from the market in the Territory or (b) requires or advises G&W or its Affiliates or Sublicensees to distribute a "Dear Doctor" letter or its equivalent regarding use of such Licensed Product in the Territory, then G&W shall notify Liquidia of such event within two (2) Business Days (or sooner if required by Applicable Laws) after G&W becomes aware of the action, threat, advice or requirement (as applicable). As between the Parties, G&W shall have sole responsibility and sole liability regarding any such action, threat, advice or requirement, including making a decision to recall or withdraw such

Licensed Product in the Territory and shall bear all the costs thereof, in each case, except as set forth in a Supply Agreement or to the extent arising from Liquidia's breach of this Agreement.

5.3 Adverse Events Reporting. At least three (3) months prior to the expected Initiation of the first Clinical Trial for such Licensed Product, the Parties shall enter into a pharmacovigilance and adverse event reporting agreement setting forth the pharmacovigilance procedures for the Parties with respect to such Licensed Product, such as safety data sharing, adverse events reporting and prescription events monitoring, all of which activities will be at G&W's expense. Such procedures shall be in accordance with, and enable each Party to fulfill, local and national regulatory reporting obligations under Applicable Laws.

ARTICLE 6
COMMERCIALIZATION

6.1 General. G&W shall use Commercially Reasonable Efforts to commercialize Licensed Product in the Field in the United States and each other country within the Territory for which Regulatory Approval for a Licensed Product has been obtained, and shall be responsible for all costs and activities associated therewith.

6.2 Commercialization Plan. Prior to the Initiation of the first Phase 3 Clinical Trial or equivalent for a Licensed Product, G&W shall provide Liquidia through the JSC a "**Commercialization Plan**" for such Licensed Product in the Field in the Territory, which plan shall describe the projected commercialization activities for such Licensed Product during the following thirty-six (36) month period. G&W shall update the Commercialization Plan annually. At Liquidia's request, the Parties shall meet to discuss the Commercialization Plan through the JSC.

6.3 Sales and Distribution. G&W shall be solely responsible for handling all returns, recalls, order processing, invoicing and collection, distribution, and receivables for Licensed Products in the Field in the Territory and shall book all sales of such Licensed Products.

6.4 Exclusivity and Off-Label Sales.

(a) G&W. G&W shall use Commercially Reasonable Efforts to prevent any Licensed Product that is being sold by it or its Affiliates or Sublicensees from being sold for use outside of the Field, including by not conducting any clinical development of any Licensed Product for intended use outside of the Field, or actively promoting any Licensed Product for use outside of the Field.

(b) Liquidia.

(i) Liquidia shall not, and shall cause its Affiliates not to (A) directly or indirectly, promote, sell or otherwise commercialize or, except as expressly authorized in this agreement for the benefit of G&W, develop or manufacture, any Selected Compound for any use in the Field, or

(B) license, authorize, appoint, or otherwise knowingly enable any Third Party to do so in the Field.

Confidential treatment has been requested with respect to portions of this agreement as indicated by "[***]" and such confidential portions have been deleted and filed separately with the Securities and Exchange Commission pursuant to Rule 24b-2 of the Securities Exchange Act of 1934, as amended.

(ii) Liquidia shall use Commercially Reasonable Efforts to prevent any product containing a Selected Compound that is being sold by it or its Affiliates or Sublicensees outside the Field from being sold for use in the Field, including by not conducting any clinical development of any such product for use in the Field, or actively promoting any such product for use in the Field.

ARTICLE 7
LICENSES

7.1 License to G&W. Subject to the terms and conditions of this Agreement, Liquidia hereby grants to G&W:

(a) an exclusive (even as to Liquidia and its Affiliates, except as expressly set forth in Section 7.7(a)), sublicenseable (solely as permitted in accordance with Section 7.3(a)) royalty-bearing license, under the Licensed Technology, to research Formulated Compounds and Licensed Products in the Field in the Territory, and to develop, make, have made, use, sell, offer for sale, import and export Licensed Products in the Field in the Territory. For clarity, the foregoing rights to make and have made shall expressly exclude any right or license to make or have made PRINT Material or access any PRINT Tooling for any purpose.

(b) an exclusive (even as to Liquidia and its Affiliates, except as expressly set forth in Section 7.7(a)), sublicenseable (solely as permitted in accordance with Section 7.3(a)) license and right of reference, under any Regulatory Approvals and any other Regulatory Materials that Liquidia or its Affiliates may Control with respect to the Formulated Compound or Licensed Products as necessary to research, develop, make, have made, use, sell, offer for sale, import and export Formulated Compound and Licensed Product in the Field in the Territory.

(c) a non-exclusive, sublicenseable (solely as permitted in accordance with Section 7.3(a)) license under Acquired IP arising from an Acquisition, to research Formulated Compounds in the Field in the Territory, and to develop, make, have made, use, sell, offer for sale, import and export Licensed Products in the Field in the Territory.

(d) a non-exclusive, paid up, royalty-free, worldwide, perpetual, irrevocable, sublicenseable (solely with intellectual property licensed by G&W) under Liquidia Collaboration Patents and Liquidia Collaboration Know How (excluding PRINT and PRINT Tooling) to the extent necessary or reasonably useful to develop and commercialize Generic Compounds (other than Selected Compounds) in the Field.

7.2 Non-Exclusive License to Liquidia under G&W Technology. Subject to the terms and conditions of this Agreement, G&W hereby grants Liquidia a non-exclusive, non-sublicenseable (except as permitted in accordance with Section 7.3(b)), royalty-free, fully-paid license, under the G&W Technology during the Term, solely to the extent necessary or reasonably useful to conduct any and all obligations of Liquidia under this Agreement and the Supply Agreements.

Confidential treatment has been requested with respect to portions of this agreement as indicated by "[***]" and such confidential portions have been deleted and filed separately with the Securities and Exchange Commission pursuant to Rule 24b-2 of the Securities Exchange Act of 1934, as amended.

7.3 Sublicensing.

(a) Sublicensing by G&W. The rights granted by Liquidia to G&W under Section 7.1 may be sublicensed by G&W (i) to a Third Party(ies); and (ii) subject to Section 16.6, to a G&W Affiliate. In addition, G&W may grant a sublicense of the rights granted by Liquidia under Section 7.1 to a subcontractor or consultant to perform G&W's assigned responsibilities under this Agreement, the Development Plan and/or Commercialization Plan, and (y) to conduct any of G&W's obligations and activities with respect to Licensed Products, provided that such sublicensee agrees to be bound by all material aspects of this Agreement, including all aspects related to the sublicensed intellectual property, and G&W remains responsible for the work allocated to, and payment to, such subcontractors and consultants to the same extent it would if it were doing such work itself. All sublicenses granted by G&W under this Agreement must be consistent with all applicable terms and conditions of this Agreement, provided that, notwithstanding the foregoing, G&W may only sublicense rights under the UNC Agreement that are consistent with the requirements in the UNC Agreement and after UNC's exercise of its right to review each such proposed sublicense. G&W will remain directly responsible to Liquidia for its Sublicensees' compliance with this Agreement. G&W shall provide Liquidia with a copy of each sublicense agreement within fourteen (14) days after its execution; provided that the terms of any such agreement may be redacted to the extent not pertinent to this Agreement.

(b) Sublicensing by Liquidia. The license granted by G&W to Liquidia under Section 7.2 may be sublicensed by Liquidia to a subcontractor to perform Liquidia's assigned responsibilities under this Agreement or a Supply Agreement (as applicable) or otherwise in furtherance of the exercise of its rights under this Agreement, provided that Liquidia remains responsible for the work allocated to, and payment to, such subcontractors and consultants to the same extent it would if it were doing such work itself and such subcontractor agrees in writing to abide by the applicable terms and conditions of this Agreement.

7.4 UNC License Agreement. G&W acknowledges and agrees that Liquidia obtained certain rights to certain Licensed Know-How and Licensed Patents through that Amended and Restated License Agreement between Liquidia and the University of North Carolina, dated December 15, 2008, as amended (**"UNC Agreement"**). G&W also acknowledges and agrees that it has received an unredacted copy of the UNC Agreement. G&W further acknowledges and agrees that G&W's rights to the certain Licensed Know-How and Licensed Patents sublicensed through that UNC Agreement are subject to the UNC Agreement and all G&W sublicensees of such Licensed Know-How and Licensed Patents will be bound by all obligations imposed on Liquidia's sublicensees under the UNC Agreement, including Sections 6.3 and 6.5 of the UNC Agreement.

7.5 Negative Covenant. Each Party covenants that it and its Affiliates will not, and will not assist or enable any Third Party to, use or practice any of the other Party's intellectual property rights licensed to it under this ARTICLE 7 except as expressly licensed hereunder.

7.6 No Implied Licenses. Except as explicitly set forth in this Agreement, neither Party grants to the other Party any license, express or implied, under its intellectual property rights.

7.7 Retained Rights.

(a) Notwithstanding the exclusive license granted by Liquidia to G&W under Section 7.1, Liquidia retains the right under Licensed Technology to fulfill its obligations under this Agreement and the Supply Agreements, including the conduct of the activities undertaken by Liquidia under the Work Plan; and

(b) Liquidia retains the exclusive right under Licensed Technology to discover, research and develop and commercialize, itself or with any Third Party, any compounds or products, including those in combination with PRINT Materials or using PRINT Platform Technology, outside the Field.

ARTICLE 8
FINANCIALS

8.1 Upfront and Option Exercise Fees.

(a) No later than ten (10) days after the Effective Date, G&W shall pay to Liquidia a nonrefundable, non-creditable upfront fee of [***] Dollars ($[***]) as consideration for the exclusive rights granted by Liquidia to G&W in the Field in the Territory with respect to the First Selected Compound.

(b) No later than ten (10) days after the date that each Option Compound becomes an Additional Selected Compound in accordance with Section 13.3, G&W shall pay to Liquidia a nonrefundable, non-creditable option exercise fee of [***] Dollars ($[***]) as consideration for the exclusive rights granted by Liquidia to G&W in the Field in the Territory with respect to such Additional Selected Compound.

8.2 Milestone Payments.

(a) Events. Subject to the remainder of this Section 8.2, G&W shall make milestone payments to Liquidia upon the first achievement by G&W, its Affiliate or a Sublicensee of the milestone events set forth in the table below for (i) a Licensed Product containing First Selected Compound and (ii) with respect to each Additional Selected Compound, for a Licensed Product containing such Additional Selected Compound.

Milestone Event	Milestone Payment
1) Initiation of the first Phase 1 Clinical Trial for a Licensed Product	[***]Dollars ($[***])
2) Initiation of the first Phase 3 Clinical Trial for a Licensed Product	[***] Dollars ($[***])
3) First Regulatory Approval for a Licensed Product	[***] Dollars ($[***])
4) First Time Cumulative World-Wide Net Sales of all Licensed Products reaches [***] Dollars ($[***])	[***] Dollars ($[***])
5) First Time Cumulative World-Wide Net Sales of all Licensed Products reaches [***] Dollars ($100,000,000)	[***] Dollars ($[***])

For each Selected Compound: Each milestone payment above shall be made only once, irrespective of how many Licensed Products containing such Selected Compound achieve such milestone. If a particular milestone event is achieved by G&W, its Affiliate or Sublicensee with respect to a Licensed Product containing a particular Selected Compound, then all prior milestone events for Licensed Products containing such Selected Compound shall be deemed achieved upon achievement of that particular milestone event. Milestones (1)-(3) shall be deemed achieved with respect to a particular Licensed Product upon the First Commercial Sale of the Licensed Product. The maximum aggregate amount payable by G&W pursuant to this Section 8.2 per Selected Compound is [***] Dollars ($[***]).

(b) Notice; Payment. G&W shall notify and pay to Liquidia the amounts set forth in this Section 8.2 within thirty (30) days after the achievement of the applicable milestone event by G&W, its Affiliate or a Sublicensee.

8.3 Royalties.

(a) Royalty Rate. Subject to the other terms of this Section 8.3 and subject to Section 13.4, during the Royalty Term, G&W shall pay a [***] percent ([***]%) royalty on Net Sales of Licensed Products.

(b) Reductions.

(i) Know-How Only License. If there is no Valid Claim within the Licensed Patents that covers the manufacture, use, sale or import of a Licensed Product in a country at the time of sale of such Licensed Product in such country, then the royalty rate applicable to such sale of such Licensed Product shall be reduced by [***] percent ([***]%).

(ii) Third Party License Fees. If G&W enters into a Third Party License as necessary to make, use, offer to sell, sell or import a Formulated Compound in any country in the Territory, G&W may deduct from any royalties payable to Liquidia under subsection (a) above for the Licensed Product containing such Formulated Compound in such country up to [***] percent ([***]%) of all amounts actually paid by G&W under such Third

Party License for such Formulated Compound in such country; provided, however, that in no event shall such deductions exceed [***] percent ([***]%) of the royalties otherwise due to Liquidia on the sales of such Licensed Product in such country in the calendar year in which such deduction is applied.

(iii) Compulsory License. If Liquidia or G&W receives a request for a Compulsory License for a Licensed Product anywhere in the world, it shall promptly notify the other Party. If any Third Party obtains a Compulsory License to a Licensed Product in any country, then Liquidia or G&W (whoever has first notice) shall promptly notify the other Party. Thereafter, as of the date the Third Party obtained such Compulsory License in such country (which Third Party shall be deemed to be a Sublicensee for purposes of the definition of "Net Sales"), the royalty rate payable under subsection (a) above for such Licensed Product for Net Sales in such country shall be adjusted to equal any lower royalty rate granted to such Third Party for such country with respect to the sales of such Licensed Product therein.

(iv) Royalty Floor. Except in the case of a Compulsory License, in no event will the royalty rate payable to Liquidia on the sale of any Licensed Product be reduced below [***] percent ([***]%) by Sections 8.3(b)(i) or 8.3(b)(ii).

(c) Timing of Payments; Reports. Commencing with the calendar quarter during which the First Commercial Sale of the first Licensed Product is made anywhere in the Territory, and for each calendar quarter thereafter during the Term during which royalties are due hereunder, G&W shall provide Liquidia with a report that contains the following information for the applicable calendar quarter, on a Licensed Product-by-Licensed Product and country-by-country basis: (i) the amount of gross sales and gross units sold of the Licensed Products, (ii) an itemized calculation of Net Sales and net units sold showing deductions provided for in the definition of "Net Sales", (iii) a calculation of the royalty payment due on such sales, including any royalty reduction made in accordance with Section 8.3(b), (iv) the exchange rate for such country, and (v) any further information required by the UNC Agreement. The form of payment report is attached as **Exhibit 8.3(c)**. G&W shall provide such report to Liquidia within twenty-five (25) days after the end of each calendar quarter, provided that with respect to each fourth calendar quarter (i.e., the quarter ending December 31). G&W shall pay Liquidia the royalty payments for such calendar quarter contemporaneously with the provision of such report for such quarter. Additionally, within twenty five (25) days of each month end (excluding month ends that are also quarter ends), G&W shall provide Liquidia with an estimate of Net Sales and gross sales of Licensed Products in the prior month; such estimates are solely for Liquidia's internal accounting purposes and are not binding for any purpose under this Agreement.

(d) Exchange Rate. When conversion of payments from any foreign currency is required, such conversion shall be calculated using an exchange rate equal to the rate of exchange published in the Wall Street Journal, Eastern Edition on the last business day of the applicable calendar quarter for which payment is due.

(e) Blocked Currency. In each country where the local currency is blocked and cannot be removed from the country, royalties accrued on Net Sales in that country shall be paid to Liquidia in the equivalent amount in U.S. Dollars. Notwithstanding the foregoing, solely

with respect to sales of Licensed Products by a Compulsory Licensee in the country in which the applicable Compulsory License was granted, if G&W does not have business operations in such country, then G&W may, at G&W's discretion and with written notice to Liquidia, pay such royalties by depositing the amount thereof in local currency to an account in the name of Liquidia in a bank or other depository selected by Liquidia in such country.

(f) Barred Royalties. If the royalties payable pursuant to this Section 8.3 are higher than the maximum royalties permitted by the Applicable Laws of a given country for any calendar quarter, the royalties payable for such country with respect to such quarter shall be equal to the maximum amount permitted under such Applicable Laws, and to the extent permitted by Applicable Law, G&W shall carry forward any unpaid amounts of royalties for such country that were payable pursuant to Section 8.3 and are higher than the maximum royalties into future payment periods until such time as all such royalties have been paid.

8.4 Taxes.

(a) Taxes on Income. Each Party shall be solely responsible for the payment of all taxes imposed on its share of income arising directly or indirectly from the collaborative efforts of the Parties under this Agreement.

(b) Tax Cooperation. The Parties agree to cooperate with one another and use reasonable efforts in accordance with applicable law to reduce value added tax or similar payments ("**VAT**"), tax withholding and similar obligations on royalties, milestone payments, and other payments made under this Agreement.

(c) Withholding Taxes. To the extent a Party is required to deduct and withhold Taxes from any payment to the other Party, the payor Party shall pay the amounts of such Taxes to the proper Governmental Authority in a timely manner and promptly transmit to the payee Party an official Tax receipt or other evidence of timely payment sufficient to enable the payee Party to claim the payment of such Taxes as a deduction or Tax credit. The payee Party shall provide the payor Party any Tax forms that may be reasonably necessary in order for the payor Party to not withhold Tax or to withhold Tax at a reduced rate under an applicable bilateral income tax treaty and the payor Party shall apply the reduced rate of withholding, or dispense with withholding, as the case may be, provided that the payor Party has received evidence, in a form satisfactory to the payor Party, of the payee Party's delivery of all applicable

forms (and, if necessary, its receipt of appropriate governmental authorization) at least fifteen (15) days prior to the time the applicable payment is due. Each Party shall provide the other with reasonable assistance to enable the recovery, as permitted by Applicable Law, of withholding Taxes, value added Taxes, and similar obligations resulting from payments made under this Agreement, such recovery to be for the benefit of the Party bearing such withholding Tax or value added Tax.

8.5 Late Payments. Any amount required to be paid by a Party hereunder which is not paid on the date due but is paid on a date that is thirty (30) days or more past such date shall bear interest at a rate equal to the U.S. Prime Rate effective for the date payment was due, as

reported by The Wall Street Journal, plus one percent (1%). Such interest shall be computed on the basis of a year of 360 days for the actual number of days payment is delinquent.

8.6 Financial Records; Audits. Each Party shall maintain complete and accurate records in sufficient detail to permit the other Party to confirm the accuracy of the amount of achievement of milestones, royalties and other amounts to be shared or paid hereunder. Upon reasonable prior notice, such records shall be open during regular business hours for a period of three (3) years from the date of rendering of the report to which the audit relates for examination at the auditing Party's expense, and not more often than once each calendar year, by an independent certified public accountant selected by the auditing Party and reasonably acceptable to the audited Party for the sole purpose of verifying for the auditing Party the accuracy of the financial reports furnished by the audited Party pursuant to this Agreement or of any payments made, or required to be made, by or to the audited Party to the other pursuant to this Agreement. The audited Party may require such accountant to enter into a reasonably acceptable confidentiality agreement and any such auditor shall not disclose the audited Party's Confidential Information to the auditing Party, except to the extent such disclosure is necessary to verify the accuracy of the financial reports furnished by the audited Party or the amount of payments due by the audited Party under this Agreement. Any amounts shown to be owed but unpaid, or overpaid and in need of reimbursement, shall be paid or refunded (as the case may be) within thirty (30) days after the accountant's report, plus interest (as set forth in Section 8.5) from the original due date. The auditing Party shall bear the full cost of such audit unless such audit reveals an overpayment to, or an underpayment by, the audited Party that resulted from a discrepancy in a report that the audited Party provided to the other Party during the applicable audit period, which underpayment or overpayment was more than five percent (5%) of the amount set forth in such report, in which case the audited Party shall bear the full cost of such audit. If the audited Party challenges the auditing results in good faith, the audited party shall have the right to select another independent certified public accountant to conduct another audit of its financial records. If the results of the two accountants are inconsistent, then the dispute shall be resolved in accordance with ARTICLE 15.

8.7 Manner and Place of Payment. Subject to Section 8.3(e), all payments owed under this Agreement shall be made by wire transfer in immediately available funds in U.S. Dollars to a bank and account designated in writing by Liquidia.

ARTICLE 9
INTELLECTUAL PROPERTY

9.1 Ownership.

(a) Liquidia. As between the Parties, Liquidia shall own all right, title and interest in and to Licensed Technology, the PRINT Material and the PRINT Tooling; and

(b) G&W. As between the Parties, G&W shall own all right, title and interest in and to the G&W Background IP.

(c) Collaboration IP. Regardless of inventorship or authorship, as between the Parties, the ownership of all Collaboration Know-How and Collaboration Patents shall be as follows:

(i) By Liquidia. Liquidia shall solely own all Liquidia Collaboration Know-How and Liquidia Collaboration Patents. G&W hereby transfers and assigns to Liquidia, without additional consideration, all of G&W's right, title and interest in and to all Liquidia Collaboration Know-How and Liquidia Collaboration Patents, which transfer and assignment Liquidia hereby accepts. G&W shall execute and deliver to Liquidia a deed(s) of such assignment, in a mutually agreeable form, and will take whatever actions are reasonably necessary, including the appointment of Liquidia as its attorney in fact solely to make such assignment, to effect such assignment.

(ii) By G&W. G&W shall solely own all G&W Collaboration Know-How and G&W Collaboration Patents. Liquidia hereby transfers and assigns to G&W, without additional consideration, all of Liquidia's right, title and interest in and to all G&W Collaboration Know-How and G&W Collaboration Patents, which transfer and assignment G&W hereby accepts. Liquidia shall execute and deliver to G&W a deed(s) of such assignment, in a mutually agreeable form, and will take whatever actions are reasonably necessary, including the appointment of G&W as its attorney in fact solely to make such assignment, to effect such assignment.

(iii) Joint Ownership. All Joint Collaboration Know-How and Joint Collaboration Patents shall be jointly owned by the Parties. To the extent any Joint Collaboration Know-How or Joint Collaboration Patent is made solely by or on behalf of a Party (or its Affiliates, sublicensees or subcontractors), such Party hereby transfers and assigns to the other Party, without additional consideration, one undivided half of such Party's interest in such Joint Collaboration Know-How or Joint Collaboration Patent, which transfer and assignment the other Party hereby accepts. Each Party shall execute and deliver to the other Party a deed(s) of such assignment, in a mutually agreeable form, and will take whatever actions are reasonably necessary (including the appointment of the other Party as its attorney in fact solely to make such assignment) to effect such assignment. Subject to the terms

of this Agreement, each Party shall be entitled to practice and exploit the Joint Collaboration Know-How and Joint Collaboration Patents without the duty of accounting or seeking consent from the other Party.

9.2 Use and Disclosure of Joint Collaboration Know-How.

(a) Subject to each Party's exclusivity obligations hereunder, each Party shall have the right to use Joint Collaboration Know-How in any manner consistent with such Party's ownership interest in the Joint Collaboration Know-How, and to disclose Joint Collaboration Know-How to Third Parties at any time (provided that any Third Party receiving Joint Collaboration Know-How shall be bound by obligations of confidentiality and non-use similar to those contained herein).

(b) Each Party shall have the right to use any Joint Collaboration Know-How in support of the prosecution and maintenance of its G&W Background IP or its Licensed Technology (as applicable).

(c) Notwithstanding anything in this Agreement to the contrary, G&W shall not, directly or through a Third Party or an Affiliate use any Joint Collaboration Know-How or Joint Collaboration Patent outside of the Field.

9.3 Disclosure of Collaboration Know-How. Each Party shall promptly disclose to the other Party all inventions and discoveries within the Collaboration Know-How, including all invention disclosures or other similar documents submitted to such Party by its, or its Affiliates' or sublicensees', employees, agents or independent contractors describing such inventions and discoveries. Each Party shall also respond promptly to reasonable requests from the other Party for additional Information relating to such inventions and discoveries. Notwithstanding the foregoing, Liquidia shall not be required to disclose to G&W any Liquidia Collaboration Know-How (or other Information) directly relating to PRINT Tooling.

9.4 Prosecution of Patents.

(a) Licensed Patents.

(i) Liquidia shall have the sole right to prepare, file, prosecute and maintain all Licensed Patents at its sole cost and expense.

(ii) As between the Parties, Liquidia shall have the sole right and authority to pursue and conduct any oppositions, interferences, reissue proceedings, reexaminations and post-grant proceedings, and to maintain, the Licensed Patents.

(b) G&W Patents.

(i) G&W shall have the sole right to prepare, file, prosecute and maintain all Patents covering G&W Background IP and G&W Collaboration Patents at its sole cost and expense.

(ii) As between the Parties, G&W shall have the sole right and authority to pursue and conduct any oppositions, interferences, reissue proceedings, reexaminations and post-grant proceedings, and to maintain, the Patents covering G&W Background IP and G&W Collaboration Patents.

(c) Joint Collaboration Patents.

(i) G&W shall have the first right to prepare, file, prosecute and maintain the Joint Collaboration Patents, at G&W's cost and expense. G&W shall provide Liquidia, for its review and comment, with drafts of any material filings or responses to be made to any patent authority with respect to Joint Collaboration Patents at least thirty (30) days in advance of intended submission, or as soon as possible if G&W has less than thirty (30) days to make such submission, and shall provide Liquidia with copies of material filings with and

communication from patent authorities with respect to Joint Collaboration Patents. Liquidia shall provide comments in due time before the submission date (taking into account the time difference between time zones). G&W shall respond to all reasonable requests of Liquidia for additional Information with respect to all such prosecution and maintenance efforts. G&W shall reasonably consider incorporating Liquidia's comments thereto.

(ii) If G&W decides to cease the prosecution or maintenance of any Joint Collaboration Patent, it shall notify Liquidia in writing sufficiently in advance so that Liquidia may, at its discretion, assume the responsibility for the prosecution or maintenance of such Joint Collaboration Patent, at Liquidia's cost and expense. Liquidia shall notify G&W of its decision to assume the responsibility of such prosecution and/or maintenance within thirty (30) days of G&W's notice to cease such activities, in which event G&W shall transfer all prosecution and maintenance files (including all correspondence with any patent office) for such Joint Collaboration Patent to Liquidia's designated patent counsel. If, within such time, G&W has not received notice of Liquidia's decision to assume prosecution and maintenance, G&W shall be free to cease such prosecution and maintenance.

(d) Cooperation. Each Party shall provide the other Party all reasonable assistance and cooperation in the Patent preparation, filing, prosecution and maintenance efforts provided above in this Section 9.4, including reasonable efforts to separate and coordinate Patent filings to satisfy each Party's ownership of Patents as described herein and to maximize Patent protection. In addition, each Party will provide any necessary powers of attorney and will execute any other required documents or instruments for such preparation, filing, prosecution and maintenance efforts.

9.5 Infringement of Patents by Third Parties.

(a) Notification. If there is any infringement, threatened infringement, or alleged infringement of the Joint Collaboration Patents on account of a Third Party's manufacture, use, offer for sale, or sale of a Licensed Product in the Field or the Licensed Patents covering such Licensed Product in the Field (in each case, a **"Product Infringement"**), then each Party shall promptly notify the other Party in writing of any such Product Infringement of which it becomes aware, and shall provide evidence in such Party's possession demonstrating such Product Infringement.

(b) Enforcement Rights.

(i) G&W shall have the first right, but not the obligation, to bring an appropriate suit or other action against any person or entity allegedly engaged in any Product Infringement in the Territory (and to defend any related counterclaim). G&W shall have a period of one hundred eighty (180) days (or such short time period as not to prejudice such enforcement action) after its receipt or delivery of notice and evidence pursuant to Section 9.5(a), to elect to so enforce such Joint Collaboration Patents in the Territory (or to settle or otherwise secure the abatement of such Product Infringement). In the event G&W does not so elect (or settle or otherwise secure the abatement of such Product Infringement), it shall so notify Liquidia

in writing, and Liquidia shall have the right to commence a suit or take action to enforce such Product Infringement.

(ii) Liquidia shall have the sole right, but not the obligation, to bring an appropriate suit or other action against any person or entity for any infringement, threatened infringement, or alleged infringement of any Licensed Patent on account of a Third Party's manufacture, use, offer for sale, or sale of a Licensed Product in the Field (and to defend any related counterclaim). Liquidia shall reasonably consider the interests of G&W and Liquidia's other licensees of such Licensed Patent in potentially bringing such a suit or action. Should Liquidia decline to enforce a Licensed Patent, for purposes of determining royalties due to Liquidia hereunder, the definition of Valid Claim and the corresponding definition of Royalty Term shall exclude such Licensed Patent and no royalties shall be due to Liquidia under this Agreement in connection with such Licensed Patent.

(c) Collaboration. Each Party shall provide to the Party enforcing any such rights under this Section 9.5 reasonable assistance in such enforcement, at such enforcing Party's request and expense, including joining such action as a party plaintiff if required by Applicable Law to pursue such action. The enforcing Party shall keep the other Party regularly informed of the status and progress of such enforcement efforts, and shall reasonably consider the other Party's comments on any such efforts. The non-enforcing Party shall have the right to join such enforcement action and be represented in such action by counsel of its own choice and at its own cost and expense.

(d) Settlement. Without the prior written consent of the other Party, neither Party shall settle any claim, suit or action that it brought under this Section 9.5 that admits the invalidity or unenforceability of any claim in a Joint Collaboration Patent, requires abandonment or limits the scope of any such Joint Collaboration Patent, or would limit or restrict the ability of either Party to sell products containing a Formulated Compound anywhere in the Territory.

(e) Expenses and Recoveries. A Party bringing a claim, suit or action under Section 9.5(b) against any person or entity engaged in Product Infringement shall be solely responsible for any costs and expenses incurred by such Party as a result of such claim, suit or action. If such Party recovers monetary damages from such Third Party in such suit or action, such recovery shall be allocated first to the reimbursement of any expenses incurred by the Parties in such enforcement action (including, for this purpose, a reasonable allocation of expenses of internal counsel), and any remaining amount shall be retained by the enforcing Party, provided that if the enforcing Party is G&W, then such remaining amount shall be treated as Net Sales subject to royalties under Section 8.3.

9.6 Patents Licensed from Third Parties. Each Party's rights under this ARTICLE 9 with respect to any Licensed Patent and G&W Patent licensed to the other Party by a Third Party, including under any Third Party Licenses, shall be subject to the rights of such Third Party to file, prosecute, maintain, extend, enforce and/or defend such patents.

9.7 Defense of Collaboration Patents.

(a) If any Party receives notice by counterclaim, declaratory judgment action or otherwise, alleging the invalidity or unenforceability of any Joint Collaboration Patent, it shall promptly notify the other Party, including all relevant information related to such claim. Where such allegation is made in an opposition, reexamination, interference or other patent office proceeding, the provisions of Sections 9.4(c) and 9.4(d) shall apply. Where such allegation is made in a counterclaim to a suit or other action brought under Section 9.5, the provisions of Section 9.5 shall apply. Where such allegation is made in a declaratory judgment or other court action, (i) the Party who prosecuted such Joint Collaboration Patent pursuant to Section 9.4 shall have the first right to defend such action at its own expense, provided that if a Party pursuant to Section 9.5 elects to bring an infringement counterclaim, the provisions of Section 9.5 shall thereafter apply; and (ii) G&W shall have the sole right, but no obligation, to defend such Joint Collaboration Patent. If the Party with the first right to defend such Joint Collaboration Patent elects not to defend such action, it shall so notify the other Party in writing, and the other Party shall have the right to defend such action, at the other Party's expense. For any such defense action involving a Joint Collaboration Patent, the non-defending Party shall provide to the defending Party all reasonable assistance in such defense, at the defending Party's request and expense. The defending Party shall keep the other Party regularly informed of the status and progress of such efforts, and shall reasonably consider the other Party's comments on any such efforts.

(b) Without the prior written consent of the other Party, neither Party shall enter into any settlement of any claim, suit or action that it defended under this Section 9.7 that admits the invalidity or unenforceability of any Joint Collaboration Patent, requires abandonment or limits the scope of

any such Joint Collaboration Patent or would limit or restrict the ability of either Party to sell products containing a Formulated Compound anywhere in the Territory.

9.8 Defense of Infringement Actions. During the Term, each Party shall bring to the attention of the other Party all information regarding potential infringement or any claim of infringement of Third Party intellectual property rights in connection with the development, manufacture, production, use, importation, offer for sale, or sale of Licensed Products in the Territory. The Parties shall discuss such information and decide how to handle such matter. Each Party shall be solely responsible for defending any claim, suit or action brought against it alleging infringement of Third Party intellectual property rights in connection with its activities under this Agreement. This Section 9.8 shall not be interpreted as placing on either Party a duty of inquiry regarding Third Party intellectual property rights.

9.9 Patent Marking. G&W shall, and shall require its Affiliates and Sublicensees to, mark Licensed Products sold by it hereunder (in a reasonable manner consistent with industry custom and practice) with appropriate patent numbers or indicia to the extent permitted by Applicable Laws in those countries in which such markings or such notices impact recoveries of damages or equitable remedies available with respect to infringements of patents.

9.10 Personnel Obligations. Prior to beginning work under this Agreement relating to any research, manufacture, development or commercialization of a Licensed Product, each employee, agent or independent contractor of G&W or Liquidia or of either Party's respective Affiliates shall be bound by non-disclosure and invention assignment obligations that are

consistent with the obligations of G&W or Liquidia, as appropriate, in this ARTICLE 9, including: (a) promptly reporting any invention, discovery, process or other intellectual property right; (b) assigning to G&W or Liquidia, as appropriate, all of his or her right, title and interest in and to any invention, discovery, process or other intellectual property right; (c) cooperating in the preparation, filing, prosecution, maintenance and enforcement of any patent and patent application; (d) performing all acts and signing, executing, acknowledging and delivering any and all documents required for effecting the obligations and purposes of this Agreement; and (e) abiding by the obligations of confidentiality and non-use set forth in ARTICLE 12. It is understood and agreed that such non-disclosure and invention assignment agreement need not reference or be specific to this Agreement.

9.11 CREATE Act. It is the intention of the Parties that this Agreement is a "joint research agreement" as that phrase is defined in 35 U.S.C. §102(c) as amended by the Cooperative Research and Technology Enhancement (CREATE) Act, including the provisions of 35 U.S.C. §102(b)(2)(c), and the Parties agree to cooperate and to take reasonable actions to maximize the protections available for the Licensed Technology under such safe harbor provisions.

9.12 Patent Term Listings. G&W shall have the right with respect to (a) G&W Background IP, (b) G&W Collaboration Patents, (c) Joint Collaboration Patents, (d) Liquidia Collaboration Patents related to PRINT, PRINT Material, or PRINT Improvements that only cover the Selected Compound and (e) with Liquidia's consent, not to be unreasonably withheld, other Licensed Patents to make all filings with Regulatory Authorities in the Territory for Licensed Products with respect to Patents as required or allowed (a) in the United States, in the FDA's Orange Book and (b) outside the United States, under similar Applicable Laws. In connection with such filings, Liquidia shall (i) provide to G&W all Information, including a correct and complete list of Licensed Patents covering any Licensed Product or otherwise necessary or reasonably useful to enable G&W to make such filings with Regulatory Authorities in the Territory with respect to such Patents, and (ii) cooperate with G&W's reasonable requests in connection therewith, including meeting any submission deadlines, in each case ((i) and (ii)), to the extent required or permitted by Applicable Law.

9.13 Trademarks, Corporate Logos and other Intellectual Property Rights. G&W shall have the sole authority to select trademarks for Licensed Products in the Field and shall own all such trademarks. Neither Party shall, without the other Party's prior written consent, use any trademarks or house marks of the other Party (including the other Party's corporate name), or marks confusingly similar thereto, in connection with such Party's marketing or promotion of Licensed Products under this Agreement, except as may be expressly authorized under this Agreement or by written mutual agreement of the Parties, and except to the extent required to comply with Applicable Laws. Without limiting the generality of the foregoing, G&W shall not use any trademarks owned by Liquidia or its Affiliates relating to the PRINT Platform Technology, PRINT Material, or PRINT Tooling.

ARTICLE 10
REPRESENTATIONS AND WARRANTIES; COVENANTS

10.1 Mutual Representations and Warranties. Each Party hereby represents and warrants to the other Party that as of the Effective Date:

(a) It is a company or corporation duly organized, validly existing, and in good standing under the laws of the jurisdiction in which it is organized or incorporated.

(b) (i) It has the corporate power and authority and the legal right to enter into this Agreement and perform its obligations hereunder; (ii) it has taken all necessary corporate action on its part required to authorize the execution and delivery of this Agreement and the performance of its obligations hereunder; and (iii) this Agreement has been duly executed and delivered on behalf of such Party, and constitutes a legal, valid, and binding obligation of such Party that is enforceable against it in accordance with its terms.

(c) It is not a party to any agreement that would prevent it from granting the rights granted to the other Party under this Agreement or performing its obligations under this Agreement.

(d) No consent by any Third Party or governmental authority is required with respect to the execution and delivery of this Agreement by such Party or the consummation by such Party of the transactions contemplated hereby.

10.2 Representations and Warranties by Liquidia. Liquidia hereby represents and warrants to G&W as of the Effective Date:

(a) it has the right under the Licensed Technology to grant the licenses to G&W as purported to be granted pursuant to this Agreement and it has not granted any right or license under the Licensed Technology to any Third Party that is in conflict with the licenses and rights granted to G&W under this Agreement;

(b) it has not received any written notice from any Third Party asserting or alleging that the development of a product in the Field using the Licensed Technology prior to the Effective Date has infringed or misappropriated the intellectual property rights of such Third Party;

(c) there is no pending, and to Liquidia's knowledge, no threatened, adverse actions, suits or proceedings against Liquidia involving the Licensed Technology;

(d) the Licensed Patents are not the subject of any litigation procedure, discovery process, interference, reissue, reexamination, opposition, appeal proceedings or any other legal or patent office dispute;

(e) the Licensed Patents listed on Exhibit 1.51 constitute all Patents Controlled by Liquidia and its Affiliates that are, to Liquidia's knowledge, directly related to, or are necessary or useful for, the research, development, manufacture, use, sale or commercialization of Formulated Compound and Licensed Product;

(f) in the event G&W obtains supply of Formulated Compound under this Agreement or the Supply Agreement, no license grant to G&W under the Print Tooling or to make or have made PRINT Material is necessary in order for G&W to exercise its rights under this Agreement;

(g) to Liquidia's knowledge, the performance of the Work Plan as attached hereto does not infringe any intellectual property rights of any Third Party;

(h) all employees, agents or independent contractors of Liquidia who have performed any activities on its behalf in connection with research regarding Licensed Technology have assigned to Liquidia the whole of their rights in any intellectual property made, discovered or developed by them as a result of such research;

(i) Liquidia has all right, title and interest in and to the Licensed Technology necessary to grant the licenses to G&W pursuant to Section 7.1; and

(j) Liquidia (and its Affiliates) has not employed or otherwise used in any capacity the services of any person or entity debarred under United States law, including under Section 21 USC 335a or any foreign equivalent thereof, with respect to the Licensed Technology.

10.3 Representations and Warranties by G&W. G&W hereby represents and warrants to Liquidia as of the Effective Date:

(a) it has the right under the G&W Technology to grant the licenses to Liquidia as purported to be granted pursuant to this Agreement and it has not granted any right or license under the G&W Technology to any Third Party that is in conflict with the licenses and rights granted to Liquidia under this Agreement;

(b) it has not received any written notice from any Third Party asserting or alleging that the development of a product in the Field using the G&W Technology prior to the Effective Date has infringed or misappropriated the intellectual property rights of such Third Party; and

(c) there is no pending, and to G&W's knowledge, no threatened, adverse actions, suits or proceedings against G&W involving the G&W Technology.

10.4 Covenant by Liquidia. Liquidia covenants and agrees that, as of the Effective Date and until the expiration of the Term:

(a) It will not grant any right or license under the Licensed Technology to any Third Party that is in conflict with the licenses and rights granted to G&W under this Agreement;

(b) It shall carry out the development of the Formulated Compounds and its other obligations or activities hereunder in accordance with GCPs, GLPs and GMPs and all other Applicable Laws and Regulatory Approvals; and

(c) In the course of the development of the Formulated Compounds, Liquidia will not knowingly use any employee, agent or independent contractor who has ever been debarred by any Regulatory Authority or is the subject of a debarment proceedings by any Regulatory Authority or has been convicted of a crime for which an entity or person could be debarred. Liquidia shall notify G&W promptly upon becoming aware that any of its employees, agents or independent contractors has been debarred or is the subject of debarment proceedings by any Regulatory Authority.

10.5 Covenants by G&W. G&W hereby covenants and agrees that, as of the Effective Date and until the expiration of the Term:

(a) It shall carry out the development and commercialization, of the Licensed Products and its other obligations or activities hereunder in accordance with GCPs, GLPs and GMPs and all other Applicable Laws and Regulatory Approvals; and

(b) In the course of the development and commercialization of the Licensed Products, G&W will not knowingly use any employee, agent or independent contractor who has ever been debarred by any Regulatory Authority or, to G&W's knowledge, is the subject of a debarment proceedings by any Regulatory Authority or has been convicted of a crime for which an entity or person could be debarred. G&W shall notify Liquidia promptly upon becoming aware that any of its employees, agents or independent contractors has been debarred or is the subject of debarment proceedings by any Regulatory Authority.

10.6 Disclaimer. Each Party understands that the Selected Compounds, Formulated Compounds and Licensed Products are or will be the subject of ongoing research and development and that the other Party cannot assure the safety or usefulness of any Selected Compound, Formulated Compound or Licensed Product. In addition, Liquidia makes no warranties except as set forth in this ARTICLE 10 concerning the Licensed Technology, and G&W makes no warranties except as set forth in this ARTICLE 10 concerning the G&W Technology.

10.7 No Other Representations or Warranties. EXCEPT AS EXPRESSLY STATED IN THIS AGREEMENT, NO REPRESENTATIONS OR WARRANTIES WHATSOEVER, WHETHER EXPRESS OR IMPLIED, INCLUDING WARRANTIES OF MERCHANTABILITY, FITNESS FOR A PARTICULAR PURPOSE, NON-INFRINGEMENT, OR NON-MISAPPROPRIATION OF THIRD PARTY INTELLECTUAL PROPERTY RIGHTS, ARE MADE OR GIVEN BY OR ON BEHALF OF A PARTY. EXCEPT AS EXPRESSLY STATED IN THIS AGREEMENT, ALL REPRESENTATIONS AND WARRANTIES, WHETHER ARISING BY OPERATION OF LAW OR OTHERWISE, ARE HEREBY EXPRESSLY EXCLUDED.

ARTICLE 11
INDEMNIFICATION

11.1 Indemnification by Liquidia. Liquidia shall defend, indemnify, and hold G&W, its Affiliates, and their respective officers, directors, employees, and agents (the **"G&W**

Indemnitees") harmless from and against any and all liabilities, damages, losses, costs and expenses, including reasonable attorneys' fees (collectively, **"G&W Damages"**), arising out of or resulting from Third Party claims, suits, demands, proceedings or causes of action (collectively, **"G&W Claims**") to the extent that such G&W Claims arise out of, result from, or are based on:

(a) a breach of any of Liquidia's obligations under this Agreement, including Liquidia's representations, warranties and covenants set forth herein; or

(b) the willful misconduct or negligent acts of Liquidia, its Affiliates, or the officers, directors, employees, agents, consultants, or contractors of Liquidia or its Affiliates.

The foregoing indemnity obligation shall not apply to the extent that the G&W Indemnitees fail to comply with the indemnification procedures set forth in Section 11.3 and Liquidia's defense of the relevant G&W Claims is prejudiced by such failure, or to the extent that such G&W Damages arise out of, result from or are based on any activities set forth in Section 11.2 for which G&W is obligated to indemnify Liquidia Indemnitees or are based on activities in a Supply Agreement for which G&W is obligated to indemnify Liquidia.

11.2 Indemnification by G&W. G&W shall defend, indemnify, and hold Liquidia, its Affiliates, and their respective officers, directors, employees, and agents, (the **"Liquidia Indemnitees"**) harmless from and against any and all liabilities, damages, losses, costs and expenses, including reasonable attorneys' fees (collectively, **"Liquidia Damages"**), arising out of or resulting from Third Party claims, suits, demands, proceedings or causes of action (collectively, **"Liquidia Claims"**) to the extent that such Liquidia Claims arise out of, result from or are based on:

(a) the research, development, making, having made, using, having used, importing, offering to sell, selling and/or having sold a Licensed Product by or on behalf of G&W, its Affiliates or its Sublicensees;

(b) a breach of any of G&W's obligations under this Agreement, including G&W's representations, warranties and covenants set forth herein; or

(c) the willful misconduct or negligent acts of G&W, its Affiliates, or the officers, directors, employees, agents, consultants, contractors of G&W or its Affiliates.

The foregoing indemnity obligation shall not apply to the extent that the Liquidia Indemnitees fail to comply with the indemnification procedures set forth in Section 11.3 and G&W's defense of the relevant Liquidia Claims is prejudiced by such failure, or to the extent that such Liquidia Damages arise out of, result from or are based on any activities set forth in Section 11.1 for which Liquidia is obligated to indemnify G&W Indemnitees or are based on activities in a Supply Agreement for which Liquidia is obligated to indemnify G&W.

11.3 Indemnification Procedures. The Party claiming indemnity under this ARTICLE 11 (the **"Indemnified Party"**) shall give written notice to the Party from whom indemnity is being sought (the **"Indemnifying Party"**) promptly after learning of the claim, suit,

demand, proceeding or cause of action for which indemnity is being sought (**"Claim"**). The Indemnified Party shall provide the Indemnifying Party with reasonable assistance, at the Indemnifying Party's expense, in connection with the defense of the Claim for which indemnity is being sought. The Indemnified Party may participate in and monitor such defense with counsel of its own choosing at its sole expense; provided, however, the Indemnifying Party shall have the right to assume and conduct the defense of the Claim with counsel of its choice. The Indemnifying Party shall not settle any Claim without the prior written consent of the Indemnified Party, not to be unreasonably withheld, unless the settlement involves only the payment of money in which case no such consent is required. So long as the Indemnifying Party is actively defending the Claim in good faith, the Indemnified Party shall not settle or compromise any such Claim without the prior written consent of the Indemnifying Party. If the Indemnifying Party does not assume and conduct the defense of the Claim as provided above, (a) the Indemnified Party may defend against, consent to the entry of any judgment, or enter into any settlement with respect to such Claim in any manner the Indemnified Party may deem reasonably appropriate (and the Indemnified Party need not consult with, or obtain any consent from, the Indemnifying Party in connection therewith), and (b) the Indemnifying Party shall remain responsible to indemnify the Indemnified Party as provided in this ARTICLE 11.

11.4 Limitation of Liability. NEITHER PARTY SHALL BE LIABLE TO THE OTHER FOR ANY SPECIAL, CONSEQUENTIAL, INCIDENTAL, PUNITIVE, OR INDIRECT DAMAGES (INCLUDING ANY LOSS OF PROFITS, EARNINGS, GOODWILL, SAVINGS OR BUSINESS SUFFERED BY LIQUIDIA OR G&W) ARISING FROM OR RELATING TO ANY BREACH OF THIS AGREEMENT, REGARDLESS OF ANY NOTICE OF THE POSSIBILITY OF SUCH DAMAGES. NOTWITHSTANDING THE FOREGOING, NOTHING IN THIS SECTION 11.4 IS INTENDED TO OR SHALL LIMIT OR RESTRICT THE INDEMNIFICATION RIGHTS OR OBLIGATIONS OF ANY PARTY UNDER SECTION 11.1 OR 11.2, OR DAMAGES AVAILABLE FOR A PARTY'S BREACH OF CONFIDENTIALITY OBLIGATIONS IN ARTICLE 12.

11.5 Insurance. Each Party shall self-insure or procure and maintain insurance, consistent with normal business practices of prudent companies similarly situated at all times during the Term of this Agreement. It is understood that such insurance shall not be construed to create a limit of either Party's liability with respect to its indemnification obligations under this ARTICLE 11. Each Party shall provide the other Party with written evidence of such insurance upon request. Each Party shall provide the other Party with written notice at least thirty (30) days prior to the cancellation, non-renewal or material change in such insurance.

ARTICLE 12
CONFIDENTIALITY

12.1 Confidentiality. Except to the extent expressly authorized by this Agreement or otherwise agreed in writing by the Parties, each Party agrees that, during the Term and for the seven (7) year period (and for PRINT Tooling the longer of seven (7) years or the period during which Liquidia protects such information as a trade secret in any jurisdiction) following the expiration or termination of this Agreement, it shall keep confidential and shall not publish or otherwise disclose and shall not use for any purpose other than as provided for in this Agreement

Confidential treatment has been requested with respect to portions of this agreement as indicated by "[***]" and such confidential portions have been deleted and filed separately with the Securities and Exchange Commission pursuant to Rule 24b-2 of the Securities Exchange Act of 1934, as amended.

(which includes the exercise of any rights or the performance of any obligations hereunder) any Confidential Information furnished to it by the other Party pursuant to this Agreement except for that portion of such information or materials that the receiving Party can demonstrate:

(a) was already known to the receiving Party or its Affiliate, other than under an obligation of confidentiality, at the time of disclosure by the other Party (or, with respect to Confidential Information that is Collaboration Know-How, at the time of its discovery or creation hereunder);

(b) was generally available to the public or otherwise part of the public domain at the time of its disclosure to the receiving Party;

(c) became generally available to the public or otherwise part of the public domain after its disclosure and other than through any act or omission of the receiving Party in breach of this Agreement;

(d) is subsequently disclosed to the receiving Party or its Affiliate by a Third Party without obligations of confidentiality with respect thereto; or

(e) is independently discovered or developed by the receiving Party or its Affiliate without the aid, application, or use of the other party's Confidential Information.

Notwithstanding the definition of "Confidential Information" in ARTICLE 1, all Information relating to G&W Collaboration Know-How shall be deemed the Confidential Information of G&W (such that Liquidia shall be deemed to be the receiving Party with respect thereto), all Information relating to Liquidia Collaboration Know-How shall be deemed the Confidential Information of Liquidia (such that G&W shall be deemed to be the receiving Party with respect thereto), and all Information relating to Joint Collaboration Know-How shall be deemed the Confidential Information of both Parties (such that each Party shall be deemed to be the disclosing Party with respect thereto), whether generated by one or both Parties, of both Parties. The exceptions set forth in subsections (a)-(e) above shall apply to such Confidential Information to the extent applicable.

12.2 Authorized Disclosure. Each Party may disclose Confidential Information belonging to the other Party to the extent such disclosure is reasonably necessary in the following situations:

(a) filing or prosecuting Collaboration Patents in accordance with ARTICLE 10;

(b) regulatory filings and other filings with Governmental Authorities (including Regulatory Authorities), including filings with the SEC or FDA, with respect to a Licensed Product;

(c) prosecuting or defending litigation;

(d) complying with Applicable Laws, including regulations promulgated by securities exchanges;

(e) disclosure to its Affiliates, employees, agents, and independent contractors, and any Sublicensees, in each case only on a need-to-know basis and solely in connection with the performance of this Agreement, provided that each disclosee must be bound by obligations of confidentiality and non-use at least as equivalent in scope as those set forth in this ARTICLE 12 prior to any such disclosure;

(f) disclosure of the material terms of this Agreement or summaries of G&W data generated hereunder (which has been reviewed and approved by G&W, such approval not to be unreasonably withheld or delayed) to any bona fide potential or actual investor, investment banker, acquirer, merger partner, or other potential or actual financial partner, provided that in connection with such disclosure, each disclosee must be bound by obligations of confidentiality and non-use at least equivalent in scope to those set forth in this ARTICLE 12 prior to any such disclosure.

Notwithstanding the foregoing, in the event a Party is required to make a disclosure of the other Party's Confidential Information pursuant to Sections 12.2(a), 12.2(b), 12.2(c), or 12.2(d), it will, except where impracticable, give reasonable advance notice to the other Party of such disclosure and use reasonable efforts to secure confidential treatment of such information. In any event, each Party agrees to take all reasonable action to avoid disclosure of the other Party's Confidential Information hereunder.

12.3 Publicity.

(a) The Parties agree that the terms of this Agreement are the Confidential Information of both Parties, subject to disclosure permitted by Section 12.2.

(b) Neither Party shall issue or make a public announcement regarding the execution of this Agreement without the prior written consent of the other Party.

(c) After release of such press release, neither Party nor such Party's Affiliates will make a public announcement, press release, regulatory filing or other public disclosure, written or oral, whether to the public, the press, stockholders or otherwise, concerning the terms of this Agreement or the subject matter hereof, the performance hereof or the Parties' activities hereunder, or any results or data arising hereunder (a **"Public Statement"**), unless (i) such Party has given at least seven (7) days advance written notice of the proposed text of such Public Statement to the other Party for its prior review and approval, such approval not to be unreasonably withheld or delayed, or (ii) such Public Statement is, in the opinion of the counsel for the Party intending to make such Public Statement, required to comply with Applicable Laws (including the regulations of any stock exchange) (a **"Legal Requirement"**) and which in any event contain only the minimum disclosure necessary to comply with the relevant Legal Requirement. Each Party shall have the right to review and recommend changes to any such Public Statement and, except as otherwise required by Legal Requirement, the Party whose Public Statement has been reviewed shall remove any Confidential Information of the reviewing

Party that the reviewing Party reasonably deems to be inappropriate for disclosure. The Parties agree that after a Public Statement pursuant to this subsection (c) has been reviewed and approved by the other Party, either Party may make subsequent public disclosures reiterating such information without having to obtain the other Party's prior consent or approval.

(d) In addition to the foregoing, each Party agrees to give the other Party a reasonable opportunity (to the extent consistent with Legal Requirements) to review all Public Statements required by Legal Requirements to be filed with the SEC or similar body prior to submission of such filings, and will give due consideration to any reasonable comments by the non-filing Party relating to such filing, including the provisions of this Agreement for which confidential treatment should be sought.

(e) Publications. Publications of data and results of Clinical Trials or non-clinical studies that have not already been publicly disclosed with respect to any Formulated Compound or Licensed Product, (**"Publications"**) shall be made only pursuant to this Section 12.3 and the publication plan adopted by the JSC pursuant to Section 2.3(h). The Party proposing a Publication shall provide the other Party the opportunity to review the proposed Publication at least thirty (30) days prior to the earlier of its intended submission for publication. If the other Party offers no comments on the Publication, the submitting Party may submit the Publication thirty (30) days after it provided the Publication to the reviewing Party (or earlier, with the written consent of the reviewing Party). The submitting Party shall consider the comments of the reviewing Party in good faith. If the Parties are unable to agree upon any aspect of the Publication, including its form, content, timing (including with respect to additional time required for seeking patent protection for inventions disclosed in the Publication), or proposed medium of publication, either Party may refer the dispute to the JSC, which shall resolve the dispute in accordance with Section 2.7 in the best interests of the Licensed Product and in a manner designed to the extent possible to enable each Party to comply with its publication policies. The submitting Party shall provide the other Party a copy of the Publication at the time of the submission. Notwithstanding the foregoing, the JSC shall not have the right to authorize the publication of either Party's Confidential Information without such Party's consent. Each Party agrees to acknowledge the contributions of the other Party, and the employees of the other Party, in all publications as scientifically appropriate.

ARTICLE 13
OPTION COMPOUNDS

13.1 Option to G&W. Liquidia hereby grants to G&W the option to include each Option Compound that is accepted as an Additional Selected Compound in accordance with Section 13.3 as a Selected Compound under this Agreement, in accordance with this ARTICLE 13. G&W may exercise its

option by providing written notice of such exercise to Liquidia at any time on or before the [***] ([***]) anniversary of the Effective Date (the "**Option Period**").

13.2 Option Compounds. G&W may designate up to [***] ([***]) Generic Compounds (each, an **"Option Compound"**) by written notice to Liquidia. In addition, if G&W exercises its option for at least [***] ([***]) Option Compound prior to the [***] anniversary of the Effective Date, then G&W will receive the right to designate [***] ([***]) additional Option

Compound. Notwithstanding the foregoing, if G&W does not exercise its option under Section 13.1 with respect to at least [***] ([***]) Option Compound on or before the [***] anniversary of the Effective Date, then G&W shall only have the right to designate up to [***] ([***]) Option Compounds, rather than [***] ([***]).

13.3 Exercise of Option; Designation as Additional Selected Compound.

(a) G&W may exercise its Option under Section 13.1 with respect to an Option Compound by providing Liquidia written notice (an "**Exercise Notice**") of such exercise during the Option Period, which notice shall specify the Option Compound that is the subject of such exercise. Within thirty (30) days of Liquidia's receipt of the Exercise Notice, Liquidia must notify G&W whether such other Option Compound is accepted as an Additional Selected Compound. If Liquidia notifies G&W that such Option Compound is accepted as an Additional Selected Compound, or if Liquidia fails to respond within the thirty (30) day period, such Option Compound shall be an Additional Selected Compound. If Liquidia rejects such Option Compound, then G&W may, within thirty (30) days of its receipt of Liquidia's rejection notice, replace such Option Compound with another generic compound by written notice to Liquidia. In such event, Liquidia shall accept or reject such replacement Option Compound as an Additional Selected Compound as set forth above. If Liquidia rejects such replacement Option Compound, the Parties may continue the procedures set forth in this Section 13.3 until an Option Compound is accepted as an Additional Selected Compound.

(b) From the Effective Date until the [***] anniversary of the Effective Date, Liquidia may only reject an Option Compound selected through an Exercise Notice if Liquidia or one of its licensees or partners has an active research or development program that includes such Option Compound. After the [***] anniversary of the Effective Date, Liquidia may only reject an Option Compound selected through an Exercise Notice if Liquidia or one of its licensees or partners has an active research or development program that includes such Option Compound or, subject to the remainder of this Section 13.3(b), Liquidia or a licensee of Liquidia has granted rights to a Third Party that would prevent the grant of the rights requested by G&W for such Option Compound. If, after the [***] anniversary of the Effective Date, Liquidia wishes to grant a license or other rights to a Third Party involving one or more Generic Compounds in the Field without a corresponding active research or development program for each such Generic Compound ("**Proposed Agreement**"), then Liquidia will provide notice to G&W of its intention to enter into such Proposed Agreement ("**Notice of Intent**"). G&W may, within sixty (60) days of receipt of the Notice of Intent, provide Liquidia with a list of proposed Option Compounds ("**Proposed Option Compounds**"). The number of Proposed Option Compounds at any time cannot exceed the number of Option Compounds that remain available to G&W under Section 13.2 at such time. Liquidia may only enter into the Proposed Agreement if it excludes the Proposed Option Compounds from the licenses and rights granted under the Proposed Agreement so that the Proposed Option Compounds remain available for designation as Additional Selected Compounds under this Agreement. G&W may submit an Exercise Notice for the Proposed Option Compounds in accordance with Section 13.3(a) (which will automatically become an Additional Selected Compound upon Liquidia's receipt of such notice) and, if the Proposed Agreement is not executed, expires, or is terminated, for any other Generic Compound (which will become an Additional Selected Compound if not covered by an active

research or development program or other Proposed Agreement). For clarity, prior to the [***] anniversary of the Effective Date, Liquidia may not enter into a Proposed Agreement. As used in this Section 13.3(b), "active research or development program" means a research or development program for which a compound-specific work plan has been developed for such Option Compound.

13.4 Liquidia Profit-Share Election. For each Option Compound that becomes an Additional Selected Compound, Liquidia has the right to elect, by written notice to G&W within the ninety (90) day period after Liquidia's receipt of the Exercise Notice, to replace the milestone and royalty payment obligations set forth in ARTICLE 8 for such Additional Selected Compound with a profit sharing arrangement. Prior to such election, G&W will make available to Liquidia a draft proposed Development Plan and budget for such Option Compound and provide access to other diligence information as reasonably requested by Liquidia. Such profit share allocation will be [***]% G&W, [***]% Liquidia and will require Liquidia to share equally in any costs, expenses and losses (other than the [***] dollar option exercise fee paid per Section 8.1(b)) associated with the Additional Selected Compound and Licensed Product incorporating such compound incurred beginning on the date Liquidia elects to profit share, including all development costs. In a profit share arrangement, Liquidia shall supply Formulated Compound to G&W at cost with a reasonable allocation of overhead. Following Liquidia's election pursuant to this Section 13.4, the Parties shall negotiate in good faith an amendment to this Agreement or a separate profit-sharing agreement to provide for a commercially reasonable implementation of this Section 13.4, which shall include a provision that, with respect to Additional Selected Compounds for which Liquidia has elected to profit share, material decisions regarding the development and commercial activities (and formal plans) will be made through a JSC subject to mutual consent. In the event of any dispute regarding the commercially reasonable implementation of this Section 13.4, the Parties shall refer such disputed terms to resolution by the dispute resolution provisions of ARTICLE 15. Once agreed, the Parties shall use such profit sharing mechanism for any future Option Compound that becomes an Additional Selected Compound and for which Liquidia elects a profit sharing arrangement.

ARTICLE 14
TERM AND TERMINATION

14.1 Term. This Agreement shall become effective on the Effective Date and, unless earlier terminated pursuant to this ARTICLE 14, shall expire on a Licensed Product-by-Licensed Product and country-by-country basis upon expiration of the applicable Royalty Term (the **"Term"**). Following such expiration of the Royalty Term, the license granted by Liquidia to G&W in Section 7.1 with respect to such Licensed Product in such country shall become fully-paid up, royalty-free, worldwide, exclusive and perpetual. In addition, this Agreement shall expire at the end of the Option Period if no Licensed Products are being then developed or commercialized hereunder.

14.2 Termination by G&W for Convenience. G&W may terminate this Agreement at any time in its entirety or on a Selected Compound-by-Selected Compound and country-by-country basis for convenience on sixty (60) days prior written notice.

Confidential treatment has been requested with respect to portions of this agreement as indicated by "[***]" and such confidential portions have been deleted and filed separately with the Securities and Exchange Commission pursuant to Rule 24b-2 of the Securities Exchange Act of 1934, as amended.

14.3 Termination by G&W for Liquidia's Uncured Material Breach. Upon any material breach or material default of this Agreement by Liquidia, G&W shall have the right to terminate this Agreement upon giving sixty (60) days' prior written notice thereof to Liquidia. Such termination shall become effective after at the end of such sixty (60) day period unless Liquidia cures any such breach or default prior to the expiration of such sixty (60) day period. For clarity, G&W's election not to terminate this Agreement for Liquidia's material breach or material default shall not prevent G&W from seeking damages from Liquidia in connection with such breach or default.

14.4 Termination by Liquidia for G&W's Uncured Material Breach; Discontinuance of Development.

(a) Should G&W fail to make any undisputed payment to Liquidia when due in accordance with the terms of this Agreement, Liquidia shall have the right to terminate this Agreement with thirty (30) days written notice to G&W unless G&W pays to Liquidia, within thirty (30) days following its receipt of such notice, all payments which are due and payable and are not the subject of any dispute.

(b) Upon any material breach or material default of this Agreement by G&W, other than as set forth in subsection (a) above or (c) below, Liquidia shall have the right to terminate this Agreement upon giving sixty (60) days' prior written notice thereof to G&W. Such termination shall become effective immediately after at the end of such sixty (60) day period unless G&W cures any such breach or default prior to the expiration of such sixty (60) day period.

(c) If, with respect to a particular Selected Compound, G&W fails to conduct any material development activities for at least one Licensed Product containing such Selected Compound during any consecutive [***] ([***]) [***] period in the United States at any time after the Effective Date and prior to the First Commercial Sale of the first Licensed Product containing such Selected Compound in the United States, then Liquidia shall have the right to terminate this Agreement with respect to such Selected Compound. If, with respect to a particular Selected Compound, G&W fails to conduct any material development activities for at least one Licensed Product containing such Selected Compound in any Major EU Market during any consecutive [***] ([***]) [***]period following Regulatory Approval of the first Licensed Product containing such Selected Compound in the United States, then Liquidia shall have the right to terminate this Agreement with respect to such Selected Compound with respect to all countries and jurisdictions other than the United States. Liquidia must provide [***] ([***]) [***] prior written notice of termination to G&W and such termination shall become effective immediately after at the end of such [***] ([***]) [***] period unless G&W cures the failure to conduct material development activities prior to the expiration of such [***] ([***]) [***] period.

(d) For clarity, Liquidia's election not to terminate this Agreement for G&W's material breach or material default shall not prevent Liquidia from seeking damages from G&W in connection with such breach or default.

Confidential treatment has been requested with respect to portions of this agreement as indicated by "[***]" and such confidential portions have been deleted and filed separately with the Securities and Exchange Commission pursuant to Rule 24b-2 of the Securities Exchange Act of 1934, as amended.

14.5 Termination for Insolvency. If, at any time during the Term (i) a case is commenced by or against either Party under Title 11, United States Code, as amended, or analogous provisions of Applicable Law outside the United States (the **"Bankruptcy Code"**) and, in the event of an involuntary case under the Bankruptcy Code, such case is not dismissed within sixty (60) days after the commencement thereof, (ii) either Party files for or is subject to the institution of bankruptcy, liquidation or receivership proceedings (other than a case under the Bankruptcy Code), (iii) either Party assigns all or a substantial portion of its assets for the benefit of creditors, (iv) a receiver or custodian is appointed for either Party's business, or (v) a substantial portion of either Party's business is subject to attachment or similar process; then, in any such case ((i), (ii), (iii), (iv) or (v)), the other Party may terminate this Agreement in its entirety upon written notice to the extent permitted under Applicable Laws.

14.6 Termination for Patent Challenge. Except to the extent the following is unenforceable under the laws of a particular jurisdiction, Liquidia may terminate this Agreement in its entirety if G&W or its Affiliates or Sublicensees, individually or in association with any other person or entity, commences a legal action challenging the validity, enforceability or scope of any Licensed Patents.

14.7 Effects of Termination of the Agreement.

(a) Termination of Agreement in its Entirety.

(i) Upon any termination of this Agreement in its entirety by G&W pursuant to Section 14.2 or by Liquidia pursuant to Section 14.4, 14.5 or 14.6, the following shall apply:

(1) all rights and licenses granted by Liquidia hereunder shall immediately terminate;

(2) all rights and licenses granted by G&W shall immediately terminate; and

(3) the provisions of Section 14.8 shall apply.

(ii) Upon any termination of this Agreement in its entirety by G&W pursuant to Section 14.3 or 14.5, then (1) all rights and licenses granted by G&W hereunder shall immediately terminate, and (2) all rights and licenses granted by Liquidia hereunder shall immediately terminate.

(b) Termination of this Agreement with Respect to a Selected Compound. If this Agreement is terminated with respect to a particular Selected Compound in the entire Territory pursuant to Section 14.2 or 14.4 (but not in the case of any termination of this Agreement in its entirety), then (i) this Agreement shall automatically be deemed to be amended to exclude such Selected Compound and all rights and licenses granted by Liquidia hereunder shall immediately terminate with respect to such Selected Compound, and (ii) the provisions of Section 14.8 shall apply solely with respect to such Selected Compound.

(c) Termination of this Agreement with Respect to a Portion of the Territory. If this Agreement is terminated with respect to a country or other jurisdiction pursuant to Section 14.2 or 14.4 (but not in the case of any termination of this Agreement in its entirety or termination of this Agreement with respect to a Selected Compound throughout the Territory), then the Territory shall automatically be deemed to be amended to exclude such terminated country or jurisdiction and all rights and licenses granted by Liquidia hereunder shall immediately terminate with respect to such terminated country(ies) or jurisdiction(s) (such terminated country(ies) and jurisdiction(s), the "**Terminated Territory**"), and the provisions of Section 14.8 shall apply solely with respect to the Terminated Territory. In the case of a territory-specific termination, upon Liquidia's election to take over a Terminated Product in the Terminated Territory, the Parties will enter into an appropriate pharmacovigilance agreement.

(d) Sublicensees. Upon any termination of this Agreement by Liquidia, each of G&W's Sublicensees shall, upon the written request of such Sublicensee, continue to have the rights and license set forth in its sublicense agreement, which agreement shall be automatically assigned to Liquidia; provided, however, that (i) G&W had provided Liquidia with a copy of such sublicense agreement as required pursuant to Section 7.3 and such sublicense agreement complies with the terms and conditions of this Agreement, (ii) such Sublicensee is not then in breach of any of its material obligations under its sublicense agreement, and (iii) Liquidia shall not be obligated to accept any obligations or limitations of its rights under such sublicense agreement beyond those obligations and limitations that Liquidia has expressly accepted in this Agreement.

14.8 Program Transfer. In the cases of termination for which Section 14.7 expressly provides that this Section 14.8 shall apply, the following will apply with respect to the Selected Compound that is subject of such termination or to all Selected Compounds if the Agreement is terminated in its entirety (each such Selected Compound, a "**Terminated Compound**" and each Licensed Product containing such Selected Compound, a "**Terminated Product**"):

(a) Ongoing Clinical Trials. If at the time of such termination, G&W is conducting any Clinical Trials for a Terminated Product, then, at Liquidia's election on a trial-by-trial basis: (i) G&W shall reasonably cooperate with Liquidia to allow Liquidia to continue such Clinical Trial at Liquidia's cost, including transferring to Liquidia the conduct of any such Clinical Trial then being conducted by G&W, in which case Liquidia shall assume any and all liability for such Clinical Trials after the effective date of such termination; or (ii) G&W shall reasonably cooperate with Liquidia to orderly wind down, at G&W's cost, the conduct of any such Clinical Trial that Liquidia does not wish to continue.

(b) Regulatory Materials. G&W shall transfer and assign to Liquidia in the form and format in which such materials are maintained by G&W in the ordinary course of business, all Regulatory Materials for each Terminated Product that are owned or controlled by G&W or its Affiliates.

(c) Freedom-to-Operate License. G&W hereby grants to Liquidia, effective only upon such termination and subject to any terms of Third Party License, a non-exclusive,

worldwide license, with the right to grant multiple tiers of sublicenses, under the G&W Technology to research, develop, make, have made, use, import, export, offer for sale, and sell Terminated Products in the Field. For clarity, in the event of a termination under Section 14.7(c), Liquidia will have the right under the G&W Technology to make and have made Terminated Compounds and Terminated Products in the Territory solely for use in the Terminated Territory. G&W will not be obligated to grant sublicenses to Liquidia under this subsection (c) to the extent that G&W is prohibited from granting such sublicense under a Third Party License, but shall be required to use commercially reasonable efforts to obtain permission to grant such a sublicense from any such licensor(s). If G&W would be required to pay its Third Party licensor additional fees due to a sublicense granted under this subsection (c), then G&W shall notify Liquidia of such fees, and G&W will not be required to grant such sublicense unless Liquidia agrees in writing to reimburse G&W for such fees.

(d) Royalties and Milestones. For any Terminated Product that has completed a successful Phase 3 Clinical Trial prior to the effective date of termination for which a program transfer has occurred pursuant to this Section 14.8, the terms of ARTICLE 8 covering royalties shall apply (including the royalty term thereof), mutatis mutandis, to the payment by Liquidia to G&W of a [***] percent ([***]%) royalty for each such Terminated Product if such Terminated Product is developed or commercialized.

(e) Remaining Inventories. Except where this Agreement is terminated only with respect to a country or other jurisdiction pursuant to Section 14.2 or 14.4, Liquidia shall have the right to purchase from G&W any or all of the inventory of Terminated Product(s) held by G&W as of the effective date of termination at a price equal to G&W's actual cost to acquire or manufacture such inventory. Within thirty (30) days following the effective date of termination, G&W shall provide Liquidia with a complete inventory listing of Terminated Product(s) and its acquisition or manufacturing costs. Liquidia shall notify G&W within thirty (30) days after its receipt of such inventory listing and costs whether Liquidia elects to exercise such right.

(f) Marks. G&W shall, as promptly as commercially practicable, assign to Liquidia all right, title and interest in and to the trademarks, trade dress, logos, service marks and domain names that are used exclusively for each Terminated Product in the Terminated Territory and that are used or to be used with a submission to a Regulatory Authority ("**Marks**") (expressly excluding any such Marks that include, in whole or part, any corporate name or logo of G&W or its Affiliate or Sublicensee or that are used with products other than Terminated Products), including any goodwill associated therewith. Liquidia shall be responsible for recording such assignment in the Territory with the appropriate Governmental Authority and will bear all costs associated with such assignment and recordation. G&W shall cooperate in facilitating such assignment and recordation by timely executing all necessary documents provided to it by Liquidia.

(g) Transition Assistance. G&W shall provide reasonable consultation and assistance ("**Transition Assistance**") for a period of no more than one hundred eighty (180) days after the effective date of termination for the purpose of transferring or transitioning to Liquidia the Licensed Products for which such termination is effective, including necessary intellectual

property, documents and materials thereof. In addition, G&W will provide Liquidia with, at Liquidia's request, all then-existing Third Party agreements relating solely to such Terminated Compound(s) and Terminated Product(s) in the Terminated Territory that G&W is able, using commercially reasonable efforts to, assign to Liquidia, in each case, to the extent reasonably necessary for Liquidia to continue researching, developing, manufacturing, or commercializing such Terminated Compound(s) and Terminated Product(s) in the Terminated Territory, provided, however, that G&W shall be required to assign any such agreement solely to the extent assignment is permitted by such agreement, and G&W is not required to pay any consideration or commence dispute resolution in order to effect an assignment of any such agreement to Liquidia. If any such agreement between G&W and a Third Party is not assignable to Liquidia (whether by such agreement's terms or because such agreement does not relate solely to such Terminated Compound(s) or Terminated Product(s)) but is otherwise reasonably necessary for Liquidia to continue researching, developing, manufacturing, or commercializing such Terminated Compound(s) and Terminated Product(s), then G&W shall reasonably cooperate with Liquidia to negotiate for the continuation of services from such entity; provided, however, that G&W shall not be required to pay any consideration or commence dispute resolution in connection therewith. If G&W manufactures the Terminated Product(s) itself (and thus there is no agreement to assign), then G&W shall supply such bulk Terminated Compound or finished Terminated Product, as applicable, to Liquidia, at cost of goods (to be defined consistently with the corresponding Supply Agreement) plus 30% for a reasonable period (not to exceed six (6) months after the effective date of termination), pursuant to a supply agreement to be negotiated in good faith by the Parties. Liquidia shall reimburse G&W or any of G&W's Third Party manufacturers for all reasonable, documented internal and out-of-pocket costs incurred pursuant to this subsection (f).

(h) Costs and Expenses. Liquidia shall be responsible for all costs and expenses incurred by G&W in connection with this Section 14.8 (including a reasonable allocation for overhead) in each case generally in accordance with a reasonable plan and budget provided by G&W for the assistance requested by Liquidia. Within thirty (30) days of receipt of an invoice from G&W for such costs and expenses, Liquidia shall pay to G&W the amount of such invoice.

14.9 Other Remedies. Termination or expiration of this Agreement for any reason shall not release either Party from any liability or obligation that already has accrued prior to such expiration or termination, nor affect the survival of any provision hereof to the extent it is expressly stated to survive such termination. Termination or expiration of this Agreement for any reason shall not constitute a waiver or release of, or otherwise be deemed to prejudice or adversely affect, any rights, remedies or claims, whether for damages or otherwise, that a Party may have hereunder or that may arise out of or in connection with such termination or expiration.

14.10 Rights in Bankruptcy. All rights and licenses granted under or pursuant to this Agreement by Liquidia and G&W are, and shall otherwise be deemed to be, for purposes of Section 365(n) of the U.S. Bankruptcy Code, licenses of right to "intellectual property" as defined under Section 101 of the U.S. Bankruptcy Code. The Parties agree that each Party, as licensee of certain rights under this Agreement, shall retain and may fully exercise all of its

rights and elections under the U.S. Bankruptcy Code. The Parties further agree that, in the event of the commencement of a bankruptcy proceeding by or against a Party (such Party, the **"Bankrupt Party"**) under the U.S. Bankruptcy Code, (a) the other Party shall be entitled to a complete duplicate of (or complete access to, as appropriate) any intellectual property licensed to such other Party and all embodiments of such intellectual property, which, if not already in such other Party's possession, shall be promptly delivered to it (x) upon any such commencement of a bankruptcy proceeding upon such other Party's written request therefor, unless the Bankrupt Party elects to continue to perform all of its obligations under this Agreement or (y) if not delivered under clause (x), following the rejection of this Agreement by the Bankrupt Party upon written request therefor by the other Party and (b) the Bankrupt Party shall not interfere with the other Party's rights to intellectual property and all embodiments of intellectual property, and shall assist and not interfere with the other Party in obtaining intellectual property and all embodiments of intellectual property from another entity. The "embodiments" of intellectual property includes all tangible, intangible, electronic or other embodiments of rights and licenses hereunder, including all compounds and products embodying intellectual property, Products, filings with Regulatory Authorities and related rights and Licensed Technology in the case that Liquidia is the Bankrupt Party and G&W Technology in the case G&W is the Bankrupt Party.

14.11 Survival. Notwithstanding anything to the contrary, the following provisions shall survive and apply after expiration or termination of this Agreement: Sections 4.3, 7.1(d), 7.5, 7.6, 8.5, 8.6, 9.1, 9.2, 11.1, 11.2, 11.3, 11.4, 14.7, 14.8. 14.9, 14.10, and 14.11 and ARTICLE 1, ARTICLE 12, ARTICLE 15, and ARTICLE 16. In addition, any pharmacovigilance and adverse event reporting agreement entered into by the Parties pursuant to Section 5.3 will remain in effect in accordance with its terms unless and until all responsibilities thereunder are transferred to Liquidia. All provisions not surviving in accordance with the foregoing shall terminate upon expiration or termination of this Agreement and be of no further force and effect.

ARTICLE 15
DISPUTE RESOLUTION

15.1 Disputes in Connection with this Agreement. It is the objective of the Parties to establish procedures to facilitate the resolution of disputes arising under this Agreement in an expedient manner by mutual cooperation and without resort to litigation. In the event of any disputes, controversies or differences that may arise under any theory of law between the Parties out of or in relation to or in connection with this Agreement, including any alleged failure to perform, or breach, of this Agreement, or any issue relating to the interpretation or application of this Agreement (each, a "**Dispute**"), then upon the request of either Party by written notice, the Parties agree to meet and discuss in good faith a possible resolution thereof, which good faith efforts shall include at least one in-person meeting between the Executive Officers of each Party. If the matter is not resolved within thirty (30) days following the written request for discussions, either Party may resort to arbitration to resolve the dispute. Nothing in this Section 15.1 shall prevent a Party from obtaining injunctive or exigent relief as it deems necessary in its sole discretion from any court of competent jurisdiction.

Confidential treatment has been requested with respect to portions of this agreement as indicated by "[***]" and such confidential portions have been deleted and filed separately with the Securities and Exchange Commission pursuant to Rule 24b-2 of the Securities Exchange Act of 1934, as amended.

15.2 Arbitration. Any Dispute that is not resolved pursuant to Section 15.1, except for a dispute, claim or controversy under Section 15.10, shall be settled by binding arbitration administered by JAMS before one arbitrator pursuant to the Streamlined Arbitration Rules and Procedures of JAMS then in effect (the **"JAMS Rules"**), except as otherwise provided herein. The arbitration shall be governed by the U.S. Federal Arbitration Act, 9 U.S.C. §§ 1-16 (the **"Federal Arbitration Act"**), to the exclusion of any inconsistent state laws. The arbitration will be conducted in Washington, D.C., and the Parties consent to the personal jurisdiction of the U.S. federal courts, for any case arising out of or otherwise related to this arbitration, its conduct and its enforcement. The language to be used in the arbitral proceedings will be English. Any situation not expressly covered by this Agreement shall be decided in accordance with the JAMS Rules.

15.3 Governing Law. Resolution of all Disputes and any remedies relating thereto, shall be governed by and construed under the substantive laws of the State of Delaware, excluding any conflicts or choice of law rule or principle that might otherwise refer construction or interpretation of this Agreement to the substantive law of another jurisdiction.

15.4 Decision. The arbitrator shall issue a reasoned opinion following a full comprehensive hearing, no later than six (6) months following the selection of the arbitrator as provided for in Section 15.2.

15.5 Award. Any award shall be promptly paid in Dollars free of any tax, deduction or offset; and any costs, fees or taxes incident to enforcing the award shall, to the maximum extent permitted by law, be charged against the Party resisting enforcement. If as to any issue the arbitrator should determine under the applicable law that the position taken by a Party is frivolous or otherwise irresponsible or that any wrongdoing it finds is in callous disregard of law and equity or the rights of the other Party, the arbitrator shall also be entitled to award an appropriate allocation of the adversary's reasonable attorney fees, costs and expenses to be paid by the offending Party, the precise sums to be determined after a bill of attorney fees, expenses and costs consistent with such award has been presented following the award on the merits. Each Party agrees to abide by the award rendered in any arbitration conducted pursuant to this ARTICLE 15, and agrees that, subject to the Federal Arbitration Act, judgment may be entered upon the final award in the Federal District Court in the District of Columbia and that other courts may award full faith and credit to such judgment in order to enforce such award. The award shall include interest from the date of any damages incurred for breach of the Agreement, and from the date of the award until paid in full, at a rate fixed by the arbitrator.

15.6 Costs. Except as set forth in this ARTICLE 15, each Party shall bear its own legal fees. The arbitrator shall assess his or her costs, fees and expenses against the Party losing the arbitration unless he or she believes that neither Party is the clear loser, in which case the arbitrator shall divide his or her fees, costs and expenses according to his or her sole discretion.

15.7 Injunctive Relief. Provided a Party has made a sufficient showing under the rules and standards set forth in the U.S. Federal Rules of Civil Procedure and applicable case law, the arbitrator shall have the freedom to invoke, and the Parties agree to abide by, injunctive measures after either Party submits in writing for arbitration claims requiring immediate relief.

Confidential treatment has been requested with respect to portions of this agreement as indicated by "[***]" and such confidential portions have been deleted and filed separately with the Securities and Exchange Commission pursuant to Rule 24b-2 of the Securities Exchange Act of 1934, as amended.

Additionally, nothing in this ARTICLE 15 will preclude either Party from seeking equitable relief or interim or provisional relief from a court of competent jurisdiction, including a temporary restraining order, preliminary injunction or other interim equitable relief, concerning a dispute either prior to or during any arbitration if necessary to protect the interests of such Party or to preserve the status quo pending the arbitration proceeding.

15.8 Confidentiality. The arbitration proceeding shall be confidential and the arbitrator shall issue appropriate protective orders to safeguard each Party's Confidential Information. Except as required by law, no Party shall make (or instruct the arbitrator to make) any public announcement with respect to the proceedings or decision of the arbitrator without prior written consent of the other Party. The existence of any Dispute submitted to arbitration, and the award, shall be kept in confidence by the Parties and the arbitrator, except as required in connection with the enforcement of such award or as otherwise required by applicable law.

15.9 Survivability. Any duty to arbitrate under this Agreement shall remain in effect and be enforceable after termination of this Agreement for any reason.

15.10 Patent and Trademark Disputes. Any dispute, controversy or claim relating to the scope, validity, enforceability or infringement of any patents or trademarks covering the manufacture, use, importation, offer for sale or sale of a Licensed Product shall be submitted to a court of competent jurisdiction in the country in which such patent or trademark rights were granted or arose.

ARTICLE 16
MISCELLANEOUS

16.1 Entire Agreement; Amendment. This Agreement, including the Exhibits attached hereto, sets forth the complete, final and exclusive agreement and all the covenants, promises, agreements, warranties, representations, conditions and understandings between the Parties hereto with respect to the subject matter hereof and supersedes, as of the Effective Date, all prior agreements and understandings between the Parties with respect to the subject matter hereof, including the Existing Confidentiality Agreement. The foregoing shall not be interpreted as a waiver of any remedies available to either Party as a result of any breach, prior to the Effective Date, by the other Party of its obligations pursuant to the Existing Confidentiality Agreement. In the event of any inconsistency between any plan hereunder (including any Work Plan, Development Plan and/or Commercialization Plan) and this Agreement, the terms of this Agreement shall prevail. There are no covenants, promises, agreements, warranties, representations, conditions or understandings, either oral or written, between the Parties other than as are set forth herein and therein. No subsequent alteration, amendment, change or addition to this Agreement shall be binding upon the Parties unless reduced to writing and signed by an authorized officer of each Party.

16.2 Force Majeure. Both Parties shall be excused from the performance of their obligations under this Agreement to the extent that such performance is prevented or delayed by force majeure and the nonperforming Party promptly provides notice of the prevention to the other Party. Such excuse shall be continued so long as the condition constituting force majeure

continues and the nonperforming Party takes reasonable efforts to remove the condition. For purposes of this Agreement, "force majeure" shall mean conditions beyond the reasonable control of the non-performing Party, including an act of God, war, civil commotion, terrorist act, labor strike or lock-out, epidemic, failure or default of public utilities or common carriers, destruction of production facilities or materials by fire, earthquake, storm or like catastrophe, and failure of plant or machinery (provided that such failure could not have been prevented by the exercise of skill, diligence, and prudence that would be reasonably and ordinarily expected from a skilled and experienced person engaged in the same type of undertaking under the same or similar circumstances). Notwithstanding the foregoing, a Party shall not be excused from making payments owed hereunder because of a force majeure affecting such Party.

16.3 Notices. Any notice required or permitted to be given under this Agreement shall be in writing, shall specifically refer to this Agreement, and shall be addressed to the appropriate Party at the address specified below or such other address as may be specified by such Party in writing in accordance with this Section 16.3, and shall be deemed to have been given for all purposes (a) when received, if hand-delivered or sent by a reputable international expedited delivery service, or (b) five (5) Business Days after mailing, if mailed by first class certified or registered mail, postage prepaid, return receipt requested.

If to Liquidia:

By Courier to:
419 Davis Dr., Suite 100
Morrisville NC 27560
ATTN: Legal

By US Mail to:
P.O. Box 110085
Research Triangle Park, NC 27709
ATTN: Legal

If to G&W:

By Courier to:
301 Helen Street
South Plainfield, NJ 07080
United States
Attention: LEGAL

16.4 No Strict Construction; Headings. This Agreement has been prepared jointly and shall not be strictly construed against either Party. Ambiguities, if any, in this Agreement shall not be construed against any Party, irrespective of which Party may be deemed to have authored the ambiguous provision. The headings of each article and section in this Agreement have been inserted for convenience of reference only and are not intended to limit or expand on the meaning of the language contained in the particular article or section.

16.5 Assignment; Change of Control. Neither Party may assign or transfer this Agreement or any rights or obligations hereunder without the prior written consent of the other Party, except that a Party may make such an assignment without the other Party's consent to (i) an Affiliate, (ii) a Third Party in connection with a Change of Control of such Party or (iii) a Third Party in connection with the transfer, sale or other disposition of all of the assets of a Party to which this Agreement relates (in the case of G&W, including either on a Licensed Product-by-Licensed Product basis or with respect to all Licensed Products), whether by merger, sale of stock, sale of assets or otherwise. Any permitted successor or assignee of rights and/or obligations hereunder shall, in a writing to the other Party, expressly assume performance of such rights and/or obligations, and in the same manner described in Section 16.6, each Party hereby guarantees the performance by its Affiliate assignee of such Party's obligations under this Agreement. Any assignment or attempted assignment

by either Party in violation of the terms of this Section 16.5 shall be null, void and of no legal effect. Any permitted assignment shall be binding on the successors of the assigning Party.

16.6 Performance by Affiliates. Subject to the limitations of Section 7.3, each Party may discharge any obligations and exercise any right hereunder through any of its Affiliates. Each Party hereby guarantees the performance by its Affiliates of such Party's obligations under this Agreement, and shall cause its Affiliates to comply with the provisions of this Agreement in connection with such performance. Any breach by a Party's Affiliate of any of such Party's obligations under this Agreement shall be deemed a breach by such Party, and the other Party may proceed directly against such Party without any obligation to first proceed against such Party's Affiliate.

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

16.8 Compliance with Applicable Law. Each Party shall comply with all Applicable Laws in the course of performing its obligations or exercising its rights pursuant to this Agreement.

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

16.10 No Waiver. Any delay in enforcing a Party's rights under this Agreement or any waiver as to a particular default or other matter shall not constitute a waiver of such Party's rights to the future enforcement of its rights under this Agreement, except with respect to an express written and signed waiver relating to a particular matter for a particular period of time.

Confidential treatment has been requested with respect to portions of this agreement as indicated by "[***]" and such confidential portions have been deleted and filed separately with the Securities and Exchange Commission pursuant to Rule 24b-2 of the Securities Exchange Act of 1934, as amended.

16.11 Independent Contractors. Each Party shall act solely as an independent contractor, and nothing in this Agreement shall be construed to give either Party the power or authority to act for, bind, or commit the other Party in any way. Nothing herein shall be construed to create the relationship of partners, principal and agent, or joint-venture partners between the Parties.

16.12 Third Party Beneficiary. None of the provisions of this Agreement shall be for the benefit of or enforceable by any Third Party, including any creditor of either Party hereto. No such Third Party shall obtain any right under any provision of this Agreement or shall by reasons of any such provision make any Claim in respect of any debt, liability or obligation (or otherwise) against either Party hereto.

16.13 Counterparts. This Agreement may be executed in one (1) or more counterparts by original, facsimile or PDF signature, each of which shall be deemed an original, but all of which together shall constitute one and the same instrument.

[Signature Page Follows]

Confidential treatment has been requested with respect to portions of this agreement as indicated by "[***]" and such confidential portions have been deleted and filed separately with the Securities and Exchange Commission pursuant to Rule 24b-2 of the Securities Exchange Act of 1934, as amended.

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

LIQUIDIA TECHNOLOGIES, INC.		**G&W LABORATORIES, INC.**	
By:	*/s/ Shawn Glidden*	By:	*/s/ Aaron Greenblatt*
Name:	Shawn Glidden	Name:	Aaron Greenblatt
Title:	VP Legal Affairs & Secretary	Title:	Chief Executive Officer

Confidential treatment has been requested with respect to portions of this agreement as indicated by "[***]" and such confidential portions have been deleted and filed separately with the Securities and Exchange Commission pursuant to Rule 24b-2 of the Securities Exchange Act of 1934, as amended.

EXHIBIT 1.30

Confidential treatment has been requested with respect to portions of this agreement as indicated by "[***]" and such confidential portions have been deleted and filed separately with the Securities and Exchange Commission pursuant to Rule 24b-2 of the Securities Exchange Act of 1934, as amended.

EXHIBIT 1.51

Confidential treatment has been requested with respect to portions of this agreement as indicated by "[***]" and such confidential portions have been deleted and filed separately with the Securities and Exchange Commission pursuant to Rule 24b-2 of the Securities Exchange Act of 1934, as amended.

EXHIBIT 1.87

Confidential treatment has been requested with respect to portions of this agreement as indicated by "[***]" and such confidential portions have been deleted and filed separately with the Securities and Exchange Commission pursuant to Rule 24b-2 of the Securities Exchange Act of 1934, as amended.

EXHIBIT 3.1

EXHIBIT 8.3(c)

Exhibit 10.18

Confidential treatment has been requested with respect to portions of this agreement as indicated by "[***]" and such confidential portions have been deleted and filed separately with the Securities and Exchange Commission pursuant to Rule 24b-2 of the Securities Exchange Act of 1934, as amended.

CONFIDENTIAL

AMENDMENT 1 TO THE

DEVELOPMENT AND LICENSE AGREEMENT

THIS AMENDMENT 1 TO THE DEVELOPMENT AND LICENSE AGREEMENT (the **"1st Amendment"**) is entered into as of November 8, 2016 (the **"Effective Date"**) by and between **LIQUIDIA TECHNOLOGIES, INC.**, a Delaware corporation, having its principal place of business at 419 Davis Dr., Suite 100, Morrisville, NC 27560 ("**Liquidia**"), and **G&W LABORATORIES, INC.**, a New Jersey corporation having its principal place of business at 111 Coolidge Street, South Plainfield, NJ 07080-3895 ("**G&W**"). Liquidia and G&W are sometimes referred to herein individually as a **"Party"** and collectively as the **"Parties"**.

WHEREAS, the Parties have entered into a Development and License Agreement, dated June 8, 2016 (the "Agreement");

WHEREAS, G&W wishes to exchange the active pharmaceutical ingredient of the First Selected Compound for a different active pharmaceutical ingredient; and

WHEREAS, the Parties wish to make further amendments to the Agreement as codified herein.

NOW, THEREFORE, in consideration of the foregoing premises and the mutual covenants and conditions contained in this 1st Amendment, the Parties agree as follows:

1. As of the Effective Date of the Agreement, the First Selected Compound shall be replaced with [***] ("[***]"). For clarity, all references to [***] in the Agreement shall be replaced with [***] and original Exhibit 1.30 is deleted in its entirety and replaced with new Exhibit 1.30 attached hereto. For further clarity, (i) G&W has no license right from Liquidia to [***] as a Selected Compound, (ii) the replacement of [***] with [***] under this 1st Amendment does not change the total number of Option Compounds available under the Agreement, and (iii) no additional fees are payable by G&W under Section 8.1 relating to such replacement.

2. As of the Effective Date of the Agreement, Milestones 1 and 2 under Section 8.2.a(1) and 8.2.a(2), related to [***] products, shall be replaced with the following:

Milestone Event	Milestone Payment
1) Initiation of the first Phase 1 Clinical Trial for a Licensed Product	[***] Dollars ($[***])
2) Initiation of the first Phase 3 Clinical Trial for a Licensed Product	[***] Dollars ($[***])

Confidential treatment has been requested with respect to portions of this agreement as indicated by "[***]" and such confidential portions have been deleted and filed separately with the Securities and Exchange Commission pursuant to Rule 24b-2 of the Securities Exchange Act of 1934, as amended.

For clarity, under this 1st Amendment, for [***] related Licensed Products:

(x) Milestone 1) Initiation of the first Phase 1 Clinical Trial for Licensed Product shall be increased from [***] Dollars ($[***]) to [***] Dollars ($[***]);

(y) Milestone 2) Initiation of the first Phase 3 Clinical Trial for Licensed Product shall be increased from [***] Dollars ($[***]) to [***] Dollars ($[***]); and

(z) All other Milestones remain as written in the Agreement.

3. As of the Effective Date of this 1st Amendment, Section 3.2(a) shall be deleted in its entirety and replaced with the following new Section 3.2(a):

(a) For each Work Plan, G&W will pay Liquidia for the following to the extent consistent with the Work Plan and associated approved budget: (a) any Third Party expenses or fees, (b) FTEs at the Annual FTE Rate; (c) LLDs at the applicable LLD Rate, and (d) batch costs for GXP production as updated and described in the Work Plan, in each case calculated in accordance with Liquidia's standard accounting practices and similar arrangements with Third Parties (collectively, "Collaboration Costs"). Within fifteen (15) days after the end of each quarter during an active Work Plan, Liquidia shall submit to G&W a reasonably detailed invoice reporting all Collaboration Costs actually incurred by Liquidia in the conduct of the Work Plan and associated budget during such quarter. G&W shall reimburse Liquidia for the Collaboration Costs incurred as set forth in such report within thirty (30) days after receipt of such invoice from Liquidia, which invoice shall be sent in PDF format to with a copy to (or such other email address(es) as may be notified to Liquidia by G&W).

4. As of the Effective Date of this 1st Amendment, Section 3.2(c) shall be deleted in its entirety.

5. As of the Effective Date of this 1st Amendment, Section 3.4(c) shall be deleted in its entirety and replaced with the following new Section 3.4(c):

(c) For non-commercial supply, G&W would pay Liquidia for (i) any Third Party expenses or fees, (ii) FTEs at the Annual FTE Rate; (iii) LLDs at the applicable LLD Rate for the supply of Formulated Compound to G&W, (iv) batch costs for GXP production, and (v) other costs directly relating to non-commercial supply such as start-up, scale up or capital expenditures, in each case calculated in accordance with Liquidia's standard accounting practices and similar arrangements with Third Parties;

6. As of the Effective Date of this 1st Amendment, Section 3.4(d) shall be deleted in its entirety and replaced with the following new Section 3.4(d):

   For commercial supply, G&W would pay Liquidia for the cost of goods (to be defined in such Supply Agreement) and other costs of supply for the supply of

---

Confidential treatment has been requested with respect to portions of this agreement as indicated by "[***]" and such confidential portions have been deleted and filed separately with the Securities and Exchange Commission pursuant to Rule 24b-2 of the Securities Exchange Act of 1934, as amended.

   Formulated Compound to G&W plus [***] percent ([***]%). For clarity, such [***] percent ([***]%) markup shall not apply to any allocated, start up, scale up, or capital expenditures; and

7. As of the Effective Date of this 1st Amendment, the Work Plan for [***] set forth in Exhibit 3.1 shall be deleted in its entirety and replaced with a Work Plan for [***], which shall be mutually agreed by the Parties as soon as reasonably practicable.

8. All capitalized terms used but not defined herein have the meaning ascribed to them in the Agreement.

9. All other terms of the Agreement will remain unchanged and in full force and effect.

10. This 1st Amendment shall be governed by and construed under the substantive laws of the State of Delaware, excluding any conflicts or choice of law rule or principle that might otherwise refer construction or interpretation of this 1st Amendment to the substantive law of another jurisdiction.

IN WITNESS WHEREOF, THE PARTIES HAVE EXECUTED THIS 1ST AMENDMENT BY THEIR DULY AUTHORIZED OFFICERS AS OF THE EFFECTIVE DATE FIRST WRITTEN ABOVE.

G&W LABORATORIES, INC.		**LIQUIDIA TECHNOLOGIES, INC.**	
By:	*/s/ George Shiebler*	By:	*/s/ Shawn Glidden*
Name:	George Shiebler	Name:	Shawn Glidden
Title:	VP Chief of Staff	Title:	VP Legal Affairs & Secretary

Confidential treatment has been requested with respect to portions of this agreement as indicated by "[***]" and such confidential portions have been deleted and filed separately with the Securities and Exchange Commission pursuant to Rule 24b-2 of the Securities Exchange Act of 1934, as amended.

EXHIBIT 1.30

Confidential treatment has been requested with respect to portions of this agreement as indicated by "[***]" and such confidential portions have been deleted and filed separately with the Securities and Exchange Commission pursuant to Rule 24b-2 of the Securities Exchange Act of 1934, as amended.

EXHIBIT 3.1

AMENDED AND RESTATED LICENSE AGREEMENT

This **LICENSE AGREEMENT** is entered into as of December 15, 2008 and is hereby made effective as of December 15, 2008 (the "EFFECTIVE DATE") by and between The University of North Carolina at Chapel Hill having an address at Campus Box 4105, 308 Bynum Hall, Chapel Hill, North Carolina, 27599-4105 (hereinafter referred to as "UNIVERSITY") and Liquidia Technologies, Inc., a corporation organized and existing under the laws of the State of Delaware having its principal office/place of business at 419 Davis Drive, Suite 100, Durham, NC 27713 (hereinafter referred to as "LICENSEE").

WITNESSETH

WHEREAS, UNIVERSITY owns and controls certain valuable inventions relating to the fabrication, use and engineering of various technologies, including microfluidic devices, small-scale particles, and display devices; and

WHEREAS, UNIVERSITY jointly owns patent applications relating to, and including, the patent application "Photocurable Perfluoropolymers for use as Novel Materials in Microfluidic Devices," contained in UNIVERSITY files reference number 04-0013 with The California Institute of Technology, ("CALTECH") and has entered into an Inter-Institutional Agreement on September 16, 2004 and First Amendment to Inter-Institutional Agreement having an effective date of December 8, 2008 (collectively "IIA") whereby CALTECH has granted UNIVERSITY the exclusive right to grant licenses under CALTECH's rights to such patent applications in all fields except microfluidics and microfluidic devices to LICENSEE (CALTECH has separately licensed its rights in microfluidics and microfluidic devices); and

WHEREAS, the INVENTIONS (as defined below) were, in part, developed by Joseph M. DeSimone and Edward T. Samulski ("INVENTOR(S)") of the UNIVERSITY; and

WHEREAS, UNIVERSITY is interested in licensing its information and technology concerning the INVENTIONS in a manner that will benefit the public, and the grant of a license best facilitates the distribution of useful products and the utilization of new processes; and

WHEREAS, LICENSEE desires to obtain a license to use the INVENTIONS as herein provided and commits to using best efforts and resources, taking into account the financial condition of LICENSEE and general business and market conditions, in a thorough, vigorous and diligent program of commercializing products and processes based upon or embodying said INVENTIONS under the terms and conditions set forth herein;

WHEREAS, LICENSEE, UNIVERSITY, and North Carolina State University ("NCSU") have previously entered into a certain License Agreement, dated November 8, 2004 which was amended under a First Amendment to License Agreement on April 10, 2006, and a Second Amendment to License Agreement on August 16, 2007 (the "NOVEMBER 2004 LICENSE AGREEMENT"), pursuant to which UNIVERSITY and NCSU granted such a license to LICENSEE, and LICENSEE, UNIVERSITY, NCSU, and CALTECH have previously entered into a certain License Agreement, dated December 17, 2004 (the "DECEMBER 2004 LICENSE

Confidential treatment has been requested with respect to portions of this agreement as indicated by "[***]" and such confidential portions have been deleted and filed separately with the Securities and Exchange Commission pursuant to Rule 24b-2 of the Securities Exchange Act of 1934, as amended.

AGREEMENT"), pursuant to which UNIVERSITY, NCSU, and CALTECH granted such a license to LICENSEE (collectively, the NOVEMBER 2004 LICENSE AGREEMENT and DECEMBER 2004 LICENSE AGREEMENT are referred to hereinafter as "ORIGINAL LICENSE AGREEMENT");

WHEREAS, the parties desire to combine the ORIGINAL LICENSE AGREEMENTS into a single amended and restated agreement to: 1) remove NCSU as a party (due to an executed Inter-Institutional Intellectual Property Agreement on November 6, 2007 and a First Amendment to Inter-Institutional Intellectual Property Agreement, having an effective date of December 8, 2008, between NCSU and UNIVERSITY that declares that NCSU has no rights or interest in INVENTIONS and empowers UNIVERSITY to enter into this Agreement on its own), 2) remove CALTECH as a party to the DECEMBER 2004 LICENSE AGREEMENT (due to the execution of the IIA that empowers UNIVERSITY to enter into this Agreement on its own) and 3) to reflect certain amendments agreed upon in connection with the ongoing development of products and services incorporating the INVENTIONS;

NOW, THEREFORE, in consideration of the premises and mutual promises and covenants contained in this LICENSE AGREEMENT and for good and valuable consideration, it is agreed by and between UNIVERSITY and LICENSEE as follows:

ARTICLE 1

DEFINITIONS

1.1 "**AFFILIATE**" means (a) any person or entity which owns or controls at least fifty percent (50%) of the equity or voting stock of the LICENSEE, or (b) any person or entity fifty percent (50%) of whose equity or voting stock is owned or controlled by LICENSEE or (c) any person or entity of which at least fifty percent (50%) of the equity or voting stock is owned or controlled by the same person or entity owning or controlling at least fifty percent (50%) of LICENSEE.

1.2 "**INVENTIONS**" means the inventions described or disclosed in the invention disclosures, including all paperwork, patent applications, supporting data and related documentation filed with UNIVERSITY's Office of Technology Development and identified by the 'UNC ref: No' listed on **Exhibit A** to this LICENSE AGREEMENT.

1.3 "**LICENSED FIELD**" means all fields.

1.4 "**LICENSED PRODUCTS**" means any method or process, composition, product, or component part thereof covered in whole or in part by an issued, unexpired, or pending claim contained in the PATENT RIGHTS whose manufacture, use or sale includes any use of UNIVERSITY TECHNOLOGY or PATENT RIGHTS.

1.5 "**LICENSED TERRITORY**" means the entire world.

1.6 "**NET SALES**" means the total invoiced sales price less any charges for (a) sales taxes or other taxes separately stated on the invoice, (b) shipping and insurance charges,

(c) deductions for actual allowances for returned or defective goods and (d) trade discounts, but not cash discounts. LICENSED PRODUCTS will be considered sold when billed out, when delivered or when paid for before delivery, which ever first occurs.

1.7 **"NEW INVENTIONS"** means any invention (i) made by or under the direction of either Joseph M. DeSimone or Edward T. Samulski (ii) made without use of resources or facilities of UNIVERSITY and/or NCSU or funding of third parties and (iii) that is an improvement or modification to the INVENTIONS.

1.8 "**PATENT RIGHTS**" means any United States, foreign or international patents and/or patent applications (including provisional patents) covering the INVENTIONS or NEW INVENTIONS owned or controlled by UNIVERSITY prior to or during the term of this LICENSE AGREEMENT and which UNIVERSITY has the right to provide to LICENSEE, including without limitation, those patents and patent applications set forth in **Exhibit A** attached hereto and incorporated herein by reference, as well as any continuations, divisionals, provisionals, continued prosecution applications, or reissues thereof, and any foreign counterpart of any of the foregoing.

1.9 "**SPECIFIC LICENSED FIELD**" means microfluidics and microfluidic devices, genome mapping, sensors, nanostructures, biologic nanostructures, drug nanostructures, nano-scale reactions, drug screening, cell sorting, drug delivery, vaccines, cosmetics, diagnostics, tissue replication, soft lithography, semiconductors, RFID chips, MEMS, opto-electronic devices, display panels, photovoltaic applications, electrets, catalysts, taggants, drug discovery probes, disease detection probes, specialty coatings, or other fields disclosed in the INVENTIONS.

1.10 "**UNIVERSITIES**" means, collectively, CALTECH and UNIVERSITY.

1.11 "**UNIVERSITY TECHNOLOGY**" means any unpublished research and development information, know-how, and technical data in the possession of INVENTORS (whether prior to or after the EFFECTIVE DATE) which directly relates to and is necessary for the practice of the INVENTIONS or NEW INVENTIONS and which UNIVERSITY has the right to provide to LICENSEE, whether or not prior to or after the EFFECTIVE DATE of the Agreement, including without limitation any provisional, divisional, continuation, and related documents contained in UNIVERSITY files for the INVENTIONS.

ARTICLE 2

GRANT OF LICENSE

2.1 Subject to the terms and conditions of this LICENSE AGREEMENT, UNIVERSITY hereby grants to LICENSEE and its AFFILIATES, to the extent of the LICENSED TERRITORY, an exclusive license to UNIVERSITIES rights under the PATENT RIGHTS and UNIVERSITY TECHNOLOGY to make, have made, use, offer for sale and sell LICENSED PRODUCTS in the LICENSED FIELD, with the right to sublicense, provided, that, LICENSEE's right in the field of microfluidics and microfluidic devices shall be nonexclusive,

with respect to CALTECH'S interest in the patent application "Photocurable Perfluoropolymers for use as Novel Materials in Microfluidic Devices," contained in UNIVERSITY files reference number 04-0013.

2.2 UNIVERSITY reserves the right to practice under the PATENT RIGHTS and UNIVERSITY TECHNOLOGY to make, use and provide LICENSED PRODUCTS for non-commercial research, public service, teaching and educational purposes, without payment of royalties. Furthermore, UNIVERSITY shall be free to publish UNIVERSITY TECHNOLOGY as they see fit; provided that UNIVERSITY shall forward to LICENSEE each public disclosure or publication of UNIVERSITY TECHNOLOGY forty five (45) days prior to its public disclosure or submission for publication. LICENSEE shall, within such forty five (45) day period, advise UNIVERSITY whether LICENSEE wishes to reimburse UNIVERSITY's expenses associated with the filing of a patent application covering such UNIVERSITY TECHNOLOGY as provided in Article 8, prior to the proposed publication or disclosure. Upon the reasonable request of LICENSEE, UNIVERSITY will delay any such publication or disclosure an additional thirty (30) days to allow a patent application to be filed. Notwithstanding any other restrictions or limitations on publications contained herein, the final decision regarding publication of any article or other form of public disclosure shall be at UNIVERSITY's sole discretion, and nothing herein shall be construed so as to prevent or delay the defense or publication of any student thesis or dissertation.

2.3 Notwithstanding the foregoing, any and all licenses and other rights granted hereunder are limited by and subject to the rights and requirements of the United States Government which arise out of its sponsorship of the research which led to the conception or reduction to practice of the INVENTIONS covered by PATENT RIGHTS. The United States Government is entitled, as a right, under the provisions of 35 U.S.C. §§ 200-212 and

applicable regulations of Title 37 of the Code of Federal Regulations, to a non-exclusive, nontransferable, irrevocable, paid-up license to practice or have practiced for or on the behalf of the United States Government any of the PATENT RIGHTS throughout the world.

ARTICLE 3

CONSIDERATION

3.1 LICENSEE shall pay to UNIVERSITY, a license issue fee in the form of the reimbursement of costs (including reasonable attorney fees) arising out of the patenting of the INVENTIONS pursuant to Article 8 of this LICENSE AGREEMENT. The reimbursement of patenting costs shall be non-refundable and shall not be a credit against any other amounts due hereunder except as may be provided for elsewhere in this LICENSE AGREEMENT. Reimbursement of patenting costs shall be due within thirty (30) days of billing by UNIVERSITY.

3.2 Equity

3.2.1 As further consideration for the rights granted to LICENSEE under this LICENSE AGREEMENT, LICENSEE prior to December 8, 2008 has issued to The University

of North Carolina at Chapel Hill Foundation, Inc. one hundred and ninety six thousand four hundred and sixty nine (196,469) shares of non-voting common stock of LICENSEE pursuant to the Stock Issuance and Shareholder's Agreements effective November 5, 2004, thereby fully fulfilling its obligation regarding its grant of equity under the ORIGINAL LICENSE AGREEMENT.

3.2.2 LICENSEE has provided to UNIVERSITY prior to December 8, 2008, a capitalization table indicating the total number of issued and outstanding shares of LICENSEE's common stock on a fully-diluted, as-converted basis as of November 9, 2004, pursuant to the Stock Issuance and Shareholder's Agreements effective November 5, 2004, thereby fully fulfilling its obligation to provide a capitalization table under the ORIGINAL LICENSE AGREEMENT.

3.2.3 In the case where shares or securities issued to UNIVERSITY's designees as consideration for this LICENSE AGREEMENT are restricted from resale in compliance with SEC Rule 144 or otherwise as required by law, LICENSEE agrees to remove or cancel the notice of restriction associated with such shares or securities within thirty (30) days of the request of UNIVERSITY provided that any legally required terms of restriction on resale have expired and UNIVERSITY shall have provided such information as is reasonably requested by LICENSEE or LICENSEE's counsel to ensure reliance on Rule 144.

3.3 Beginning on December 12, 2008 and continuing for the life of this LICENSE AGREEMENT, LICENSEE will pay UNIVERSITY a running royalty of [***] percent ([***]%) of all NET SALES of LICENSED PRODUCTS sold by LICENSEE and/or its AFFILIATES. LICENSEE shall pay to UNIVERSITY said royalties on the LICENSED PRODUCTS concurrently with the making of quarterly written reports as provided in Section 4.1 below.

3.3.1 LICENSED PRODUCT sold by LICENSEE to its AFFILIATES shall not be considered NET SALES of LICENSED PRODUCT for purposes of computing royalty obligations hereunder, provided that any subsequent sale by such AFFILIATE shall be included in computing royalty obligations. If such AFFILIATE does not subsequently sell such LICENSED PRODUCT, then the sale by LICENSEE to such AFFILIATE shall be considered NET SALES of such LICENSED PRODUCT for purposes of computing royalty obligations hereunder.

3.4 Sublicensing

3.4.1 In respect to sublicenses granted by LICENSEE under Article 6 below, LICENSEE shall pay to UNIVERSITY [***] percent ([***]%) of any fees, minimum royalties, and any consideration other than royalties that LICENSEE receives from each sublicensee for any rights granted under a sublicense agreement within thirty (30) days of receiving any such payments from each such sublicense. LICENSEE shall not be required to make such payment to UNIVERSITY on fees or other consideration received by LICENSEE from sublicensees as: (i) payment or reimbursement for research and development (including joint development) activities by LICENSEE in connection with LICENSED PRODUCTS or the INVENTIONS (provided that (a) LICENSEE provides to UNIVERSITY the statement of work, including, to the extent

available, a reasonable budget, for each research and development program prior to engaging in each such research and development program and (b) any subsequent sale of such LICENSED PRODUCTS shall be subject to the royalty calculations herein); (ii) payment for LICENSEE services provided in connection with any sublicense provided that such services do not require use of INVENTIONS or UNIVERSITY TECHNOLOGY, (iii) a loan that is not convertible to shares of LICENSEE's stock and that bears market rate interest, (iv) the purchase price of LICENSEE's equity securities at fair market value, (v) reimbursement of patent costs, or (vi) proceeds from private or governments research grants to LICENSEE.

3.4.2 LICENSEE shall pay to UNIVERSITY [***] percent ([***]%) of royalty payments LICENSEE receives from each sublicensee; *provided, however*, that in no event shall the royalty rate paid by LICENSEE to UNIVERSITY be less than [***] percent ([***]%) of NET SALES of LICENSED PRODUCTS sold by each sublicensee and no greater than [***] percent ([***]%) of NET SALES of LICENSED PRODUCTS sold by each sublicensee. LICENSEE shall pay to UNIVERSITY said royalties on the LICENSED PRODUCTS concurrently with the making of quarterly written reports as provided in Section 4.1 below. LICENSEE may request that UNIVERSITY accept a royalty rate less than one-half percent (0.5%) of NET SALES of

LICENSED PRODUCTS sold by a sublicensee, provided that LICENSEE submits financial details that justify such request; such request shall be denied or accepted at UNIVERSITY's sole discretion. In the event that the definition of "net sales" agreed to between LICENSEE and one of its sublicensees differs from the definition of NET SALES herein, the parties shall execute a consent letter memorializing such net sales definition between LICENSEE and such sublicensee and providing that such definition shall be used for purposes of the calculation set forth in this Section 3.4.2.

3.5 All fees, royalties, and other payments due to UNIVERSITY under this LICENSE AGREEMENT shall be made in United States Dollars.

3.6 In the event royalty payments or fees are not received by UNIVERSITY when due, LICENSEE shall pay to UNIVERSITY interest and charges at the Prime Rate of interest as reported in the Eastern edition of The Wall Street Journal on the date the payment is due plus two percent (2.0%) on the total royalties or fees due.

3.7 In the event of default in payment of any payment owing to UNIVERSITY under the terms of this LICENSE AGREEMENT, and if it becomes necessary for UNIVERSITY to undertake legal action to collect said payment, LICENSEE shall pay all legal fees and costs incurred by UNIVERSITY in connection therewith.

3.8 In the events that (i) LICENSEE, after diligent efforts, finally determines any royalties payments due on NET SALES of LICENSED PRODUCTS or any other payments due to LICENSEE pursuant to Section 3.4.1 or 3.4.2 to be uncollectible ("UNCOLLECTIBLE SALES"), and (ii) LICENSEE terminates the corresponding sublicense agreement pursuant to Section 6.4; any corresponding unpaid royalty and/or other unpaid payments on such UNCOLLECTIBLE SALES owed to the UNIVERSITY shall be forgiven, if not paid or, if previously paid to UNIVERSITY by LICENSEE, shall be credited against future royalties and payments which may become due to UNIVERSITY under this LICENSE AGREEMENT.

ARTICLE 4

REPORTS AND RECORDS

4.1 LICENSEE shall submit to UNIVERSITY a report semi-annually on or before January 15th and July 15th of each year after the EFFECTIVE DATE and such reports shall include an updated business plan with a detailed summary describing LICENSEE'S technical and other efforts made towards commercialization of LICENSED PRODUCTS in each LICENSED FIELD under development. Representatives from LICENSEE and UNIVERSITY will meet annually before January 30th of each year subsequent to the year 2005 to discuss and review LICENSEE's most recent business plan.

4.2 Subsequent to the first commercial sale of LICENSED PRODUCTS, LICENSEE agrees to make quarterly written reports to UNIVERSITY within ninety (90) days after the first days of each January, April, July, and October during the life of this LICENSE AGREEMENT and as of such dates, stating in each such report the number, description, and aggregate selling prices of LICENSED PRODUCTS sold or otherwise disposed of during the preceding three calendar months and upon which royalty is payable as provided in Sections 3.3 and 3.5 hereof. The first such report shall include all such LICENSED PRODUCTS so sold or otherwise disposed of prior to the date of such report. LICENSEE agrees to provide, in the reports under this section a good faith estimate of the allocation of royalties attributable to each patent within the PATENT RIGHTS.

4.3 LICENSEE will keep complete, true and accurate books of account and records for the purpose of showing the derivation of all amounts payable to UNIVERSITY under this LICENSE AGREEMENT. Such books and records will be kept at LICENSEE's principal place of business for at least three (3) years following the end of the calendar quarter to which they pertain, and will be open at all reasonable times for inspection by a representative of UNIVERSITY solely for the purpose of verifying LICENSEE's royalty statements or LICENSEE's compliance in other respects with this LICENSE AGREEMENT. The representative will be obliged to treat as confidential all relevant matters.

4.4 Inspections made under Section 4.3 shall be at the expense of UNIVERSITY, unless a variation or error in the calculation of NET SALES of LICENSED PRODUCTS or other fees, payments or royalties received by LICENSEE from sublicensees pursuant to Section 3.4.1 or 3.4.2 which form the basis for calculation of the royalties and other payments due to UNIVERSITY equal to or greater than one percent (1.0%) is discovered in the course of any such inspection, whereupon all costs relating thereto shall be paid by LICENSEE.

4.5 LICENSEE will promptly pay to UNIVERSITY the full amount of any underpayment, together with interest thereon at the Prime Rate of interest as reported in the Eastern edition of The Wall Street Journal on the date the payment is due plus two percent (2%).

ARTICLE 5

DUE DILIGENCE

5.1 LICENSEE shall use its best efforts and due diligence, taking into account the financial condition of LICENSEE and general business and market conditions, to proceed earnestly and assiduously with the research, development and commercialization, including manufacture and sale, of LICENSED PRODUCTS in each LICENSED FIELD during the period of this LICENSE AGREEMENT.

5.2 In particular, LICENSEE will use its best efforts, taking into account the financial condition of LICENSEE and general business and market conditions, to meet all obligations under the performance milestones set forth in **Exhibit B**, which is attached hereto. Substantial variations of **Exhibit B** must be expressly approved by UNIVERSITY in writing, such approval not to be unreasonably withheld. Any efforts and activities undertaken by

LICENSEE's AFFILIATES or sublicensees will be treated as LICENSEE's efforts and activities for purposes of determining LICENSEE's compliance with the terms of this Article 5.

5.3 If LICENSEE fails to meet or achieve any of Milestones C through P set forth in **Exhibit B**, then UNIVERSITY shall be entitled to revise the LICENSE AGREEMENT to exclude a SPECIFIC LICENSED FIELD from the then-existing LICENSED FIELD; *provided*, *however*, that LICENSEE, in its sole discretion, shall have the right to designate which SPECIFIC LICENSED FIELD shall be excluded from this LICENSE AGREEMENT. LICENSEE shall designate the SPECIFIC LICENSED FIELD to be so excluded by written documentation to UNIVERSITY within 30 days of notice from UNIVERSITY of LICENSEE's failure to meet or achieve any Milestone C through P (the "DESIGNATION PERIOD"). In the event that LICENSEE fails to designate the SPECIFIC LICENSED FIELD prior to the expiration of the DESIGNATION PERIOD, then UNIVERSITY, at its sole discretion, shall be entitled to select the SPECIFIC LICENSED FIELD to be excluded from the then-existing LICENSED FIELD; *provided*, *however*, that UNIVERSITY shall not exclude from this LICENSE AGREEMENT any SPECIFIED LICENSED FIELD for which LICENSEE has previously provided a detailed commercialization plan or in which LICENSEE or its sublicensees or AFFILIATES have made a commercial sale of LICENSED PRODUCT. In such event, UNIVERSITY shall select the SPECIFIC LICENSED FIELD to be excluded and the LICENSE AGREEMENT shall be amended by UNIVERSITY to reflect any the exclusion of such SPECIFIC LICENSED FIELD from this LICENSE AGREEMENT within thirty (30) days of the expiration of the DESIGNATION PERIOD.

5.4 The milestones set forth in **Exhibit B** shall be delayed upon, and to the extent of the amount of time necessary to correct or adjust for, the occurrence of events beyond the reasonable control of LICENSEE, if such events have a direct negative and material impact on the ability of LICENSEE or LICENSEE's AFFILIATES to achieve the respective milestone despite LICENSEE's best efforts, taking into account the financial condition of LICENSEE and general business and market conditions, to overcome such events.

ARTICLE 6

SUBLICENSING

6.1 LICENSEE may sublicense any or all of the rights licensed hereunder, excluding the right to sublicense further unless prior written consent has been received by LICENSEE from UNIVERSITY, provided that LICENSEE notifies UNIVERSITY in writing and provides UNIVERSITY with a copy of each sublicense agreement and each amendment thereto within thirty (30) days after their execution.

6.2 If LICENSEE receives any non-cash consideration from a sublicensee in lieu of cash payments for any sublicense under this LICENSE AGREEMENT, LICENSEE shall use good faith efforts to establish the fair market value of such consideration and pay to UNIVERSITY royalties on such consideration within thirty (30) days of receipt of each such non-cash consideration.

6.3 LICENSEE shall require that all sublicense agreements be consistent with the terms, conditions and limitations of the licenses granted to LICENSEE under this LICENSE AGREEMENT. In addition, LICENSEE'S sublicense agreements shall (i) require sublicensee to meet due diligence milestones, if any such milestones are specifically applicable to sublicensees, pursuant to Article 5, (ii) exclude the right of sublicensees to sublicense further pursuant to Section 6.1, absent UNIVERSITY's prior written consent, (iii) include the sublicensee's acknowledgment of the disclaimer of warranty and limitation on UNIVERSITY's liability, pursuant to Article 10, and (iv) stipulate that any LICENSED PRODUCTS used or sold in the United States shall be substantially manufactured in the United States if and as required by 35 U.S.C. § 204, as specified in Section 12.6. Notwithstanding anything to the contrary contained in this Section 6.3, the requirements of the foregoing clauses (i) through (iv) shall not apply in the case of any trial or similar sublicense granted by LICENSEE solely for the purpose of determining the suitability of any INVENTIONS for a potential development, manufacturing commercialization or other business relationship. For avoidance of doubt, the granting of any such trial or similar sublicense in and of itself does not constitute an election to negotiate under Section 6.7.

6.4 Upon execution of each sublicense agreement, LICENSEE agrees to use its commercially reasonable efforts to enforce each sublicensee's compliance with each such sublicense agreement, and LICENSEE shall terminate any sublicense agreement if the sublicensee is in material breach of the sublicense agreement and fails to cure such breach within sixty (60) days of LICENSEE's discovery of such breach. Material breach by a sublicense shall include, but not be limited to, (i) failure to submit to LICENSEE an accurate report of NET SALES and (ii) failure to pay LICENSEE amounts due and owed under the sublicense agreement on the dates such payments are due.

6.5 Any sublicense granted in accordance with this LICENSE AGREEMENT prior to termination or expiration of this LICENSE AGREEMENT shall survive any such termination or expiration. LICENSEE shall cause every sublicense agreement to provide LICENSEE the right to assign its rights under the sublicense to UNIVERSITY in the event that this LICENSE

AGREEMENT terminates, which assignment shall be accepted by UNIVERSITY in writing within thirty (30) days of each such assignment.

6.6 After the [***]anniversary of the EFFECTIVE DATE either party shall inform the other within [***] ([***])[***] of a request for a sublicense to develop a LICENSED PRODUCT in a LICENSED FIELD covered by the PATENT RIGHTS ("PROPOSED PRODUCT") made by a third party ("PROSPECTIVE SUBLICENSEE"). If LICENSEE is not then developing, producing, or using a LICENSED PRODUCT in the same LICENSED FIELD as the PROPOSED PRODUCT, and the development or sublicensing of such a LICENSED PRODUCT is not within LICENSEE 's business plans or activities, LICENSEE shall elect one of the following options within [***] ([***])[***] of receipt of notice from UNIVERSITY that they desire LICENSEE

to negotiate with the PROSPECTIVE SUBLICENSEE for the purpose of granting a sublicense under the PATENT RIGHTS to develop and commercialize the PROPOSED PRODUCT:

(a) provide UNIVERSITY with written notice, in the form of a reasonable business development plan, that LICENSEE (i) has initiated a development program to commercialize the PROPOSED PRODUCT, or (ii) intends to initiate a development program within eighteen (18) months of the date of said written notice.

(b) begin good faith negotiations with the PROSPECTIVE SUBLICENSEE; or

(c) grant back to UNIVERSITY their rights to the PATENT RIGHTS under this LICENSE AGREEMENT in the LICENSED FIELD in which such PROPOSED PRODUCT would infringe the PATENT RIGHTS.

6.7 If LICENSEE elects to negotiate with the PROSPECTIVE SUBLICENSEE for a sublicense to develop and commercialize the PROPOSED PRODUCT as provided for in Section 6.6(b), LICENSEE shall make a good faith effort to complete negotiations with the PROSPECTIVE SUBLICENSEE within [***] ([***])[***] from the date on which it began negotiations. This [***] ([***])[***] period may be extended by UNIVERSITY upon documentation provided to UNIVERSITY by LICENSEE that such extension is reasonable in view of the circumstances. For the purposes of this Section, LICENSEE will have made a good faith effort to complete negotiations if it has offered a sublicense to the PROSPECTIVE SUBLICENSEE the terms of which include (i) reasonable financial terms taking into account the field in which the sublicense is being offered and LICENSEE's obligations to UNIVERSITY pursuant to this LICENSE AGREEMENT; (ii) minimum performance requirements which would not be unreasonably burdensome upon the PROSPECTIVE SUBLICENSEE; and (iii) non-financial terms which are consistent with LICENSEE 's obligations to UNIVERSITY pursuant to this LICENSE AGREEMENT. In the event that LICENSEE shall fail to make a good faith effort as required by this Section, LICENSEE shall immediately grant back to UNIVERSITY their rights under this LICENSE AGREEMENT to such PROPOSED PRODUCT and such failure by LICENSEE shall not constitute a breach for which this LICENSE AGREEMENT may be terminated as provided for in Article 7; *provided*, *however*, that if after LICENSEE's good faith efforts to negotiate such sublicense, LICENSEE and PROSPECTIVE

SUBLICENSEE nevertheless fail to consummate any sublicensing transaction, LICENSEE shall retain all UNIVERSITY PATENT RIGHTS and UNIVERSITY TECHNOLOGY to such PROPOSED PRODUCT and shall not be deemed to have breached the LICENSE AGREEMENT.

6.8 Notwithstanding anything to the contrary contained in Article 3 and Article 6 of the AGREEMENT and without altering the license and sublicense rights granted in Article 2, the parties agree that Section 3.4 and Article 6 shall not apply to sublicenses relating to research and/or development activities including any sublicense related to, for example, the transfer of materials (including samples), research, testing, teaching, or development purposes ("RESEARCH AND DEVELOPMENT ACTIVITIES").

ARTICLE 7

TERM AND TERMINATION

7.1 The term of this LICENSE AGREEMENT shall commence on the EFFECTIVE DATE and, unless terminated sooner as herein provided, shall expire (i) upon expiration of the last to expire patent included in the PATENT RIGHTS, or (ii) if no patents mature from said PATENT RIGHTS, twenty (20) years from the EFFECTIVE DATE.

7.2 It is expressly agreed that, notwithstanding the provisions of any other paragraph of this LICENSE AGREEMENT, if LICENSEE should materially breach this LICENSE AGREEMENT and fail to cure any such breach within thirty (30) days of receipt of written notice from UNIVERSITY describing such breach, then this LICENSE AGREEMENT shall automatically terminate. A material breach is a violation of or failure to keep or perform any material covenant, condition, or undertaking of this LICENSE AGREEMENT, including, but not limited to, (i) the failure to deliver to UNIVERSITY any royalty or other payment at the time or times that the same should be due to UNIVERSITY under this LICENSE AGREEMENT, (ii) failure to use best efforts, taking into account the financial condition of LICENSEE and general business and market conditions, as required in this LICENSE AGREEMENT, (iii) failure to provide reports as specified in Section 4.1, (iv) failure to meet or achieve milestones A and B, set forth in **Exhibit B** and pursuant to Article 5, (v) failure of any executed sublicense to comport with Section 6.3 and 6.7, and (vi) failure to possess and maintain insurance as set forth in Section 11.3.

7.3 If LICENSEE is adjudged bankrupt or insolvent, files a petition for bankruptcy, is the subject of a petition for bankruptcy which is not dismissed within sixty (60) days, or is placed in the hands of a receiver, assignee, or trustee for the benefit of creditors, whether by the voluntary act of LICENSEE or otherwise, then this LICENSE AGREEMENT shall automatically terminate, inasmuch as permitted under applicable and prevailing law.

7.4 LICENSEE may terminate this LICENSE AGREEMENT at any time upon giving written notice of not less than sixty (60) days to UNIVERSITY.

7.5 Upon cancellation of this LICENSE AGREEMENT or upon termination in whole or in part, LICENSEE shall provide UNIVERSITY with a written inventory of all UNIVERSITY TECHNOLOGY and LICENSED PRODUCTS in the process of manufacture, in use or in stock. Except with respect to termination pursuant to Section 7.2, LICENSEE shall have the privilege of disposing of the inventory of such LICENSED PRODUCTS within a period of [***] ([***])[***] of such termination, and shall pay to UNIVERSITY [***] percent ([***]%) of NET SALES of such LICENSED PRODUCTS within [***] ([***])[***] of such sale. LICENSEE will also have the right to complete performance of all contracts for the sale of LICENSED PRODUCTS by LICENSEE requiring use of UNIVERSITY TECHNOLOGY, PATENT RIGHTS (except in the case of termination pursuant to Section 7.2) or LICENSED

PRODUCTS within and beyond said period of one hundred and eighty (180) days provided that the remaining term of any such contract does not exceed one year. All LICENSED PRODUCTS which are not disposed of as provided above shall be delivered to UNIVERSITY or otherwise disposed of, in UNIVERSITY's sole discretion, and at LICENSEE's sole expense.

7.6 Upon expiration of the term pursuant to Section 7.1, LICENSEE shall have a non-exclusive, irrevocable, perpetual, worldwide, fully-paid license, with the right to sublicense through multiple tiers of sublicenses, to use and practice the UNIVERSITY TECHNOLOGY for any purpose in any field.

7.7 Any termination or cancellation under any provision of this LICENSE AGREEMENT shall not relieve LICENSEE of its obligation to pay any royalty or other fees (including attorney's fees pursuant to Section 3.1 hereof) due or owing at the time of such termination or cancellation.

ARTICLE 8

PATENT PROSECUTION AND MAINTENANCE

8.1 Pursuant to Section 3.1, LICENSEE shall bear the cost of all patent expenses, past and future, associated with the preparation, filing, prosecution, issuance and maintenance of U.S. Patent applications and U.S. Patents included within the PATENT RIGHTS. Such filings and prosecution shall be by counsel of UNIVERSITY's choosing and shall be in the name of UNIVERSITY or UNIVERSITY and joint owner if jointly owned. UNIVERSITY shall keep LICENSEE advised as to the prosecution of such applications by forwarding to LICENSEE copies of all official correspondence, (including, but not limited to, applications, office actions, responses, etc.) relating thereto. LICENSEE shall have the first right to request filings, prosecute, and maintain patent applications and patents included within the PATENT RIGHTS, however, all such action instructed by LICENSEE shall be requested of UNIVERSITY and, UNIVERSITY shall (i) have a right to make comments thereto, and (ii) timely instruct its counsel to act in accord with LICENSEE's instructions. In the event of a disagreement between LICENSEE and UNIVERSITY regarding such prosecution or maintenance, UNIVERSITY shall have the right to make the final decisions for all matters associated with such prosecution and maintenance, however, UNIVERSITY shall be responsible for any and all costs associated with prosecution and maintenance matters in which UNIVERSITY made a final determination pursuant to this section. In order to facilitate LICENSEE's rights to comment and advise

UNIVERSITY, UNIVERSITY will provide, to the extent that it is able, copies of all such official correspondence and any proposed responses by UNIVERSITY at least twenty (20) business days prior to any filing or response deadlines. UNIVERSITY shall diligently prosecute such patent applications included within the Patent Rights and shall seek strong and broad claims under the Patent Rights. UNIVERSITY shall not abandon prosecution or maintenance of any Patent Rights without notifying LICENSEE in a timely manner of UNIVERSITY's intention and reason therefore and providing LICENSEE with reasonable opportunity to comment upon such abandonment and to assume responsibility for prosecution or maintenance of such Patent Rights.

8.2 As regards prosecution and maintenance of foreign patent applications corresponding to the U.S. Patent applications described in Section 8.1 above, LICENSEE shall designate in writing that country or those countries, if any, in which LICENSEE desires such corresponding patent application(s) to be filed. LICENSEE shall pay all costs and legal fees associated with the preparation, filing, prosecuting, issuance and maintenance of such designated foreign patent applications and foreign patents. All such applications shall be in the name of UNIVERSITY or UNIVERSITY and joint owner if jointly owned.

8.3 By written notification to UNIVERSITY at least thirty (30) days in advance of any filing or response deadline, or fee due date, LICENSEE may elect not to have a patent application filed in any particular country which it had previously designated pursuant to Section 8.2 or not to pay expenses associated with prosecuting or maintaining any patent application or patent, provided that LICENSEE pays for all costs incurred up to UNIVERSITY's receipt of such notification. FAILURE TO PROVIDE SUCH NOTIFICATION WILL BE CONSIDERED BY UNIVERSITY TO BE LICENSEE'S NOTICE THAT IT NO LONGER WISHES TO SUPPORT ANY PARTICULAR PATENT(S) OR PATENT APPLICATION(S). Upon such notice, UNIVERSITY may file, prosecute, and/or maintain such patent applications or patents at their own expense and for their own benefit, and any rights or license granted hereunder held by LICENSEE, AFFILIATE or sublicensee(s) relating to the PATENT RIGHTS which comprise the subject of such patent applications or patent and/or apply to the particular country, shall terminate.

8.4 UNIVERSITY may elect to file corresponding patent applications in countries other than those designated by LICENSEE, but in that event UNIVERSITY shall be responsible for all costs associated with such non-designated filings. In such event, LICENSEE shall forfeit its rights under this LICENSE AGREEMENT in the country(ies) where UNIVERSITY exercise their option to file such corresponding patent applications.

ARTICLE 9

INFRINGEMENT

9.1 If the production, sale or use of LICENSED PRODUCTS under this LICENSE AGREEMENT by LICENSEE results in any claim for patent infringement against LICENSEE, LICENSEE shall promptly notify UNIVERSITY thereof in writing, setting forth the facts of such claim in reasonable detail. As between the parties to this LICENSE AGREEMENT, LICENSEE shall have the first and primary right and responsibility, at its own expense, to

defend and control the defense of any such claim against LICENSEE, by counsel of its own choice. It is understood that any settlement, consent judgment or other voluntary disposition of such actions must be approved by UNIVERSITY, such approval not being unreasonably withheld. Subject to the policies of the Board of Governors of UNIVERSITY, UNIVERSITY agrees to cooperate with LICENSEE in any reasonable manner deemed by LICENSEE to be necessary in defending any such action. LICENSEE shall reimburse UNIVERSITY for any out of pocket expenses incurred in providing such assistance.

9.2 In the event that any PATENT RIGHTS licensed to LICENSEE are infringed by a third party or there is misappropriation of any UNIVERSITY TECHNOLOGY by a third party, LICENSEE shall have the primary right, but not the obligation, to institute, prosecute and control any action or proceeding with respect to such infringement or misappropriation, by counsel of its choice, including any declaratory judgment action arising from such infringement or misappropriation. It is understood that any settlement, consent judgment or other voluntary disposition of such actions must be approved by UNIVERSITY, such approval not to be unreasonably withheld. If LICENSEE recovers monetary damages from a third party, then LICENSEE shall first be reimbursed for all un-reimbursed expenses and costs incurred by LICENSEE in connection with the prosecution of such action or proceeding and then shall pay to UNIVERSITY thirty percent (30%) of the balance of such recovered monetary damages.

9.3 If LICENSEE elects not to enforce any patent within the PATENT RIGHTS, then LICENSEE shall notify UNIVERSITY in writing within sixty (60) days of receiving notice that an infringement exists. UNIVERSITY may, at their own expense and control, take steps to defend or enforce any patent within the PATENT RIGHTS and recover, for their own account, any damages, awards or settlements resulting therefrom.

9.4 Notwithstanding the foregoing, and in UNIVERSITY's sole discretion, UNIVERSITY shall be entitled to participate through counsel of their own choosing in any legal action involving the INVENTIONS and PATENT RIGHTS. Nothing in the foregoing sections shall be construed in any way which would limit the authority of the Attorney General of North Carolina.

ARTICLE 10

REPRESENTATIONS

10.1 UNIVERSITY makes no warranties that any patent will issue on UNIVERSITY TECHNOLOGY or INVENTIONS. UNIVERSITY does not warrant the validity of any patent included in the PATENT RIGHTS or that practice under such patents shall be free of infringement.

10.2 UNIVERSITY represents and warrants to LICENSEE that (i) except for licenses granted to the United States Government, UNIVERSITY has not granted any third party any rights or licenses with respect to the PATENT RIGHTS; (ii) the grant of the licenses under this LICENSE AGREEMENT does not conflict with any agreement to which UNIVERSITY is a party; (iii) UNIVERSITY has not received any written charge, complaint, claim, demand or

notice alleging that the development and/or use of the PATENT RIGHTS or the UNIVERSITY TECHNOLOGY infringes or misappropriates the rights of any third party; (iv) no litigation is pending or threatened which contests the right of UNIVERSITY to grant the licenses to LICENSEE under this LICENSE AGREEMENT; and (v) to the best of its knowledge, UNIVERSITY is the exclusive owner of the PATENT RIGHTS and the UNIVERSITY TECHNOLOGY or has the exclusive right to license the PATENT RIGHTS and the UNIVERISITY TECHNOLOGY herein granted in this LICENSE AGREEMENT.

10.3 OTHER THAN AS EXPRESSLY SET FORTH HEREIN, UNIVERSITY DISCLAIMS ALL WARRANTIES WITH REGARD TO PRODUCT(S) AND SERVICE(S) LICENSED UNDER THIS AGREEMENT, INCLUDING, BUT NOT LIMITED TO, ALL WARRANTIES, EXPRESSED OR IMPLIED, OF MERCHANTABILITY AND FITNESS FOR ANY PARTICULAR PURPOSE. NOTWITHSTANDING ANY OTHER PROVISION OF THIS AGREEMENT, UNIVERSITY ADDITIONALLY DISCLAIMS ALL OBLIGATIONS AND LIABILITIES ON THE PART OF UNIVERSITY AND INVENTORS, FOR DAMAGES, INCLUDING, BUT NOT LIMITED TO, DIRECT, INDIRECT, SPECIAL, AND CONSEQUENTIAL DAMAGES, ATTORNEYS' AND EXPERTS' FEES, AND COURT COSTS (EVEN IF UNIVERSITY HAS BEEN ADVISED OF THE POSSIBILITY OF SUCH DAMAGES, FEES OR COSTS), ARISING OUT OF OR IN CONNECTION WITH THE MANUFACTURE, USE, OR SALE OF THE PRODUCT(S) AND SERVICE(S) LICENSED UNDER THIS AGREEMENT. LICENSEE ASSUMES ALL RESPONSIBILITY AND LIABILITY ON BEHALF OF ITSELF, ITS AFFILIATE(S) AND ITS SUBLICENSEE(S) FOR LOSS OR DAMAGE CAUSED BY A PRODUCT AND/OR SERVICE MANUFACTURED, USED, OR SOLD BY LICENSEE, ITS SUBLICENSEE(S) AND AFFILIATE(S) WHICH IS A LICENSED PRODUCT(S) AS DEFINED IN THIS AGREEMENT.

ARTICLE 11

INDEMNIFICATION

11.1 In exercising its rights under this LICENSE AGREEMENT, LICENSEE shall fully comply with the requirements of any and all applicable laws, regulations, rules and orders of any governmental body having jurisdiction over the exercise of rights under this LICENSE AGREEMENT. LICENSEE further agrees to indemnify and hold UNIVERSITY harmless from and against any costs, expenses, attorney's fees, citation, fine, penalty and liability of every kind and nature which might be imposed by reason of any asserted or established violation of any such laws, order, rules and/or regulations and not resulting from the negligence or willful misconduct of UNIVERSITY.

11.2 LICENSEE agrees to indemnify, hold harmless and defend UNIVERSITY, its officers, employees, and agents, against any and all claims, suits, losses, damage, costs, fees, and expenses (excluding any such claims, suits, losses, damage, costs, fees or expenses resulting from the negligence or willful misconduct of UNIVERSITY) asserted by third parties, both government and private, resulting from or arising out of (a) the exercise of this LICENSE AGREEMENT by LICENSEE, AFFILIATES, or sublicensees of either of the foregoing, (b) any such sublicensee's use of the PATENT RIGHTS or UNIVERSITY TECHNOLOGY, or (c) any

LICENSED PRODUCTS made by LICENSEE, AFFILIATES, or sublicensees of either of the foregoing.

11.3 LICENSEE is required to maintain in force at its sole cost and expense, with reputable insurance companies, general liability insurance and products liability insurance coverage in an amount reasonably sufficient to protect against liability under Sections 11.1 and 11.2 above. UNIVERSITY shall have the right to ascertain from time to time that such coverage exists, such right to be exercised in a reasonable manner.

11.4 LICENSEE agrees to indemnify, hold harmless, and defend UNIVERSITY, its officers, employees, and agents against any and all claims, suits, losses, damage, costs, fees, and expenses asserted by third parties, both government and private, resulting from or arising out of the exercise of RESEARCH AND DEVELOPMENT ACTIVITIES under Section 6.8, excluding any such claims, suits, losses, damage, costs, fees, or expenses resulting from the negligence or willful misconduct of UNIVERSITY.

ARTICLE 12

MISCELLANEOUS

12.1 Confidentiality. LICENSEE shall keep confidential and not disclose any unpublished UNIVERSITY TECHNOLOGY or any patent applications furnished by UNIVERSITY prior to the EFFECTIVE DATE or pursuant to Sections 2.1 and 2.2 to third parties (other than employees, consultants, advisors, collaborators, prospective sublicensees, investors or prospective investors in the LICENSEE's equity securities, all under obligations of confidentiality) during the term of this LICENSE AGREEMENT or any time thereafter. Disclosure may be made to third parties of any such UNIVERSITY TECHNOLOGY or document related to or embodying PATENT RIGHTS at any time (a) with the prior written consent of UNIVERSITY or (b) after the same shall have become public through no fault of LICENSEE. Notwithstanding anything to the contrary contained in this Section 12.1, LICENSEE shall have the right to incorporate UNIVERSITY TECHNOLOGY that has been included in any filed patent application into patent applications filed by or on behalf of LICENSEE for the purpose of supporting claims in such patent applications that cover inventions to which LICENSEE holds an ownership interest.

In connection with this LICENSE AGREEMENT, LICENSEE may communicate and deliver to UNIVERSITY certain confidential or proprietary information of LICENSEE, its AFFILIATES or sublicensees, including, without limitation, certain scientific and manufacturing information and plans, marketing and business plans, financial statements, and audit reports (collectively, "LICENSEE CONFIDENTIAL INFORMATION"). During the term of this LICENSE AGREEMENT and for a period of five (5) years thereafter, UNIVERSITY shall keep confidential and shall not disclose any LICENSEE CONFIDENTIAL INFORMATION to any third party, and shall not use any LICENSEE CONFIDENTIAL INFORMATION for any purpose except for the purposes contemplated by this LICENSE AGREEMENT. Notwithstanding the foregoing, the UNIVERSITY may disclose LICENSEE CONFIDENTIAL INFORMATION to the extent that such disclosure is made in response to a valid order of a court

of competent jurisdiction or other governmental or regulatory body of competent jurisdiction or is required to comply with the Public Disclosure Act or any other applicable law or regulation; provided, however, that the UNIVERSITY will first have given notice to LICENSEE and given the LICENSEE a reasonable opportunity to quash such order and to obtain a protective order requiring that the LICENSEE CONFIDENTIAL INFORMATION and documents that are the subject of such required disclosure be held in confidence by the applicable court or governmental or regulatory body or, if disclosed, be used only for the purposes for which the order was issued or as otherwise authorized by law; and provided, further that if a disclosure order is not quashed or a protective order is not obtained, the LICENSEE CONFIDENTIAL INFORMATION disclosed in response to such court, governmental order, law or regulation will be limited to that information which is legally required to be disclosed.

12.2 Assignability. This LICENSE AGREEMENT is binding upon and shall inure to the benefit of the UNIVERSITY, their successors and assigns. However, this LICENSE AGREEMENT shall be personal to LICENSEE, and it is not assignable by LICENSEE to any other person or entity without the written consent of UNIVERSITY, which consent shall not be unreasonably withheld; *provided*, *however*, that LICENSEE shall be free to assign this LICENSE AGREEMENT without the consent of the UNIVERSITY to an AFFILIATE or in connection with any sale of substantially all of its capital stock or of all of its assets to which this LICENSE AGREEMENT relates. In the event of such assignment without consent of UNIVERSITY, LICENSEE agrees to provide reasonable notice to UNIVERSITY prior to any assignment of this LICENSE AGREEMENT.

12.3 Waiver. It is agreed that no waiver by either party hereto of any breach or default of any of the covenants or agreements herein set forth shall be deemed a waiver as to any subsequent and/or similar breach or default.

12.4 Use of UNIVERSITY's Name. Other than disclosure of the existence and terms of this LICENSE AGREEMENT by LICENSEE in the ordinary course of business, including without limitation, disclosure to prospective sublicensees, investors, prospective investors, lenders, collaborators and strategic partners, the use of the name of UNIVERSITY, CALTECH, or NCSU or any contractions thereof, in any manner in connection with the exercise of this LICENSE AGREEMENT is expressly prohibited without the prior written consent of UNIVERSITY.

12.5 Independent Contractor Status. Neither party hereto is an agent of the other for any purpose

12.6 U.S. Manufacture. It is agreed, if and as required by 35 U.S.C. § 204, that any LICENSED PRODUCTS used or sold in the United States shall be substantially manufactured in the United States

12.7 Required Transfer. UNIVERSITY and LICENSEE agree that LICENSEE shall supply materials to UNIVERSITY for their research in accordance with this Agreement upon prior written agreement.

12.8 Notice. Any notice required or permitted to be given to the parties hereto shall be in writing and deemed to have been properly given if delivered in person or mailed by first-class mail to the other parties at the appropriate address as set forth below. Other addresses may be designated in writing by the parties during the term of this LICENSE AGREEMENT.

UNIVERSITY	LICENSEE
Director Office of Technology Development CB #4105, 308 Bynum Hall Univeristy of North Carolina at Chapel Hill Chapel Hill, NC 27599-4105	Liquidia Technologies, Inc. Mailing Address: P.O. Box 110085 RTP, NC 27709 Shipping Address: 419 Davis Drive, Suite 100 Durham, NC 27713

12.9 Governing Law and Venue. This LICENSE AGREEMENT shall be interpreted and construed in accordance with the laws of the State of North Carolina. The State and Federal Courts of North Carolina shall have exclusive jurisdiction to hear any legal action arising out of this LICENSE AGREEMENT.

12.10 Complete Agreement. It is understood and agreed between UNIVERSITY and LICENSEE that this LICENSE AGREEMENT constitutes the entire agreement, both written and oral, between the parties, and that all prior agreements respecting the subject matter hereof, either written or oral, expressed or implied, shall be abrogated, canceled, and are null and void and of no effect, including each ORIGINAL LICENSE AGREEMENT.

12.11 Severability. In the event that a court of competent jurisdiction holds any provision of this LICENSE AGREEMENT to be invalid, such holding shall have no effect on the remaining provisions of this LICENSE AGREEMENT, and they shall continue in full force and effect.

12.12 Survival of Terms. The provisions of Sections 3.6, 3.7, 4.3, 4.4, 4.5, 6.5, 7.4, 7.5, 7.6, 7.7, 12.1, 12.4, 12.8, 12.9, 12.10, and 12.12 and Articles 10 and 11 shall survive the expiration or termination of this LICENSE AGREEMENT.

IN WITNESS WHEREOF, UNIVERSITY and LICENSEE have executed this LICENSE AGREEMENT, in duplicate originals, by the duly authorized respective officers.

THE UNIVERSITY OF NORTH CAROLINA AT CHAPEL HILL	**LICENSEE**
/s/ Catherine Innes	*/s/ Bruce W. Boucher*

Confidential treatment has been requested with respect to portions of this agreement as indicated by "[***]" and such confidential portions have been deleted and filed separately with the Securities and Exchange Commission pursuant to Rule 24b-2 of the Securities Exchange Act of 1934, as amended.

Signature	Signature
Catherine Innes Printed Name	Bruce W. Boucher Printed Name
Director, Office of Technology Development Title	President Title
12/16/08 Date	12/16/08 Date

Confidential treatment has been requested with respect to portions of this agreement as indicated by "[***]" and such confidential portions have been deleted and filed separately with the Securities and Exchange Commission pursuant to Rule 24b-2 of the Securities Exchange Act of 1934, as amended.

Exhibit A

Confidential treatment has been requested with respect to portions of this agreement as indicated by "[***]" and such confidential portions have been deleted and filed separately with the Securities and Exchange Commission pursuant to Rule 24b-2 of the Securities Exchange Act of 1934, as amended.

Exhibit B

MILESTONES

FIRST AMENDMENT TO AMENDED AND RESTATED LICENSE AGREEMENT

FIRST AMENDMENT TO AMENDED AND RESTATED LICENSE AGREEMENT, ("Amendment") effective as of June 8, 2009 ("Effective Date"), by and between The University of North Carolina at Chapel Hill, having an address at 104 Airport Drive, CB# 1350, Chapel Hill, North Carolina 27599-1350, ("University"), and Liquidia Technologies, Inc, a corporation existing under the laws of Delaware, and having its principal headquarters at Suite 100, 419 Davis Drive, Durham, NC 27713 ("Licensee").

WITNESSETH:

WHEREAS, Licensee and University have entered into an Amended and Restated License Agreement dated as of December 15, 2008 ("Agreement"); and

WHEREAS; Licensee and University wish to amend the Agreement upon the terms and conditions set forth below.

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

1. Sections 3.4.1 and 3.4.2 of Section 3.4 of Article 3 are hereby amended and replaced in their entirety with the following new Sections 3.4.1 and 3.4.2:

3.4.1 In respect to sublicenses granted by LICENSEE under Article 6 below, LICENSEE shall pay to UNIVERSITY [***] percent ([***]%) of any fees, minimum royalties, and any consideration other than royalties that LICENSEE receives from each sublicensee for any rights granted under a sublicense agreement within [***] ([***])[***] of receiving any such payments from each such sublicense. LICENSEE shall not be required to make such payment to UNIVERSITY on fees or other consideration received by LICENSEE from sublicensees as: (i) payment or reimbursement for research and development (including joint development) activities by LICENSEE in connection with LICENSED PRODUCTS or the INVENTIONS (provided that (a) LICENSEE provides to UNIVERSITY the statement of work, including, to the extent available, a reasonable budget, for each research and development program prior to engaging in each such research and development program and (b) any subsequent sale of such LICENSED PRODUCTS shall be subject to the royalty calculations herein); (ii) payment for LICENSEE services provided in connection with any sublicense provided that such services do not require use of INVENTIONS or UNIVERSITY TECHNOLOGY, (iii) a loan that is not convertible to shares of LICENSEE's stock and that bears market rate interest, (iv) the purchase of LICENSEE's equity

Confidential treatment has been requested with respect to portions of this agreement as indicated by "[***]" and such confidential portions have been deleted and filed separately with the Securities and Exchange Commission pursuant to Rule 24b-2 of the Securities Exchange Act of 1934, as amended.

securities at fair market value, (v) reimbursement of patent costs, or (vi) proceeds from private or governments research grants to LICENSEE.

3.4.2 LICENSEE shall pay to UNIVERSITY [***] percent ([***]%) of royalty payments LICENSEE receives from each sublicensee; provided, however, that in no event shall the royalty rate paid by LICENSEE to UNIVERSITY be less than [***] percent ([***]%) of NET SALES of LICENSED PRODUCTS sold by each sublicensee and no greater than [***] percent ([***]%) of NET SALES of LICENSED PRODUCTS sold by each sublicensee. LICENSEE shall pay to UNIVERSITY said royalties on the LICENSED PRODUCTS concurrently with the making of quarterly written reports as provided in Section 4.1 below. LICENSEE may request that UNIVERSITY accept a royalty rate less than [***] percent ([***]%) of NET SALES of LICENSED PRODUCTS sold by a sublicensee, provided that LICENSEE submits financial details that justify such request; such request shall be denied or accepted at UNIVERSITY's sole discretion. In the event that the definition of "net sales" agreed to between LICENSEE and one of its sublicensees differs from the definition of NET SALES herein, the parties shall execute a consent letter memorializing such net sales definition between LICENSEE and such sublicensee and providing that such definition shall be used for purposes of the calculation set forth in this Section 3.4.2.

2. Article 5 shall be amended and replaced in its entirety with the following new Article 5.

5.1 LICENSEE will use commercially reasonable efforts, taking into account the financial condition of LICENSEE and general business and market conditions, to meet all obligations under the performance milestones set forth in Exhibit B, which is attached hereto. If LICENSEE is unable to satisfy the milestones set forth in Exhibit B, UNIVERSITY hereby agrees that:

(i) LICENSEE shall have [***] ([***])[***] from receiving notice from UNIVERSITY of LICENSEE's failure to meet or achieve a milestone to cure any such failure ("Cure Period"). Any efforts or activities undertaken by LICENSEE's AFFILIATES or sublicensees will be treated as LICENSEE's efforts and activities for purposes of determining LICENSEE's compliance with the terms of this Article 5.

(ii) During the [***] Cure Period, UNIVERSITY and LICENSEE shall negotiate in good faith to revise the milestone(s) to reflect an appropriate milestone(s) at the time taking into account the financial condition of LICENSEE and general business and market conditions.

(iii) If LICENSEE is unable to cure a failure to satisfy a milestone set forth in Exhibit B under Section 5.1(i) and UNIVERSITY and

LICENSEE have not reached an agreement to revise such milestone under Section 5.1(ii) then UNIVERSITY shall have the right to elect to have LICENSEE and UNIVERSITY negotiate in good faith to have one SPECIFIC LICENSED FIELD excluded from this LICENSE AGREEMENT. In the event that LICENSEE and UNIVERSITY cannot agree on such SPECIFIC LICENSED FIELD to be excluded from this LICENSE AGREEMENT within [***] ([***])[***] of UNIVERSITY'S notice of election to negotiate in good faith to have one SPECIFIC LICENSED FIELD excluded from this LICENSE AGREEMENT ("NEGOTIATION PERIOD") then LICENSEE shall designate the SPECIFIC LICENSED FIELD to be so excluded by written documentation to UNIVERSITY within [***] ([***])[***] of the expiration of such NEGOTIATION PERIOD ("DESIGNATION PERIOD"). In the event that LICENSEE fails to designate the SPECIFIC LICENSED FIELD prior to the expiration of the DESIGNATION PERIOD, then UNIVERSITY, at its sole discretion, shall be entitled to select the SPECIFIC LICENSED FIELD to be excluded from the then-existing LICENSED FIELD; provided, however, that UNIVERSITY shall not exclude from this LICENSE AGREEMENT any SPECIFIED LICENSED FIELD for which LICENSEE has (a) previously provided a detailed commercialization plan, (b) executed a license, sublicense or other commercial agreement, including a license, sublicense or other commercial agreement with a subsidiary or new entity, or (c) in which LICENSEE or its sublicensees or AFFILIATES have made a commercial sale of LICENSED PRODUCT. In such event, UNIVERSITY shall select the SPECIFIC LICENSED FIELD to be excluded and the LICENSE AGREEMENT shall be amended to reflect any exclusion of such SPECIFIC LICENSED FIELD from this LICENSE AGREEMENT within thirty (30) days of the expiration of the DESIGNATION PERIOD.

3. Sections 6.1, 6.3, 6.4, and 6.5, are hereby amended and replaced in their entirety with the following new Sections 6.1, 6.3, 6.4, and 6.5a and 6.5b:

6.1 LICENSEE may sublicense any or all of the rights licensed hereunder, including the right to sublicense through multiple tiers of sublicenses, provided that LICENSEE notifies UNIVERSITY in writing and provides UNIVERSITY with a copy of each sublicense agreement and each amendment thereto within thirty (30) days after execution of each such license agreement and amendment.

6.3 LICENSEE shall require that all sublicense agreements be consistent with the terms, conditions and limitations of the licenses granted to LICENSEE under this LICENSE AGREEMENT. In addition, LICENSEE'S sublicense agreements shall (i) include the sublicensee's acknowledgment of the disclaimer of warranty and limitation on UNIVERSITY's liability, pursuant to Article 10, and (ii) stipulate

Confidential treatment has been requested with respect to portions of this agreement as indicated by "[***]" and such confidential portions have been deleted and filed separately with the Securities and Exchange Commission pursuant to Rule 24b-2 of the Securities Exchange Act of 1934, as amended.

that any LICENSED PRODUCTS used or sold in the United States shall be substantially manufactured in the United States if and as required by 35 U.S.C. § 204, as specified in Section 12.6. Notwithstanding anything to the contrary contained in this Section 6.3, the requirements of the foregoing clauses (i) and (ii) shall not apply in the case of any trial or similar sublicense granted by LICENSEE solely for the purpose of determining the suitability of any INVENTIONS for a potential development, manufacturing commercialization or other business relationship.

6.4 Upon execution of each sublicense agreement, LICENSEE agrees to use its commercially reasonable efforts to enforce each sublicensee's compliance with each such sublicense agreement, and LICENSEE may terminate any sublicense agreement if the sublicensee is in material breach of the sublicense agreement and fails to cure such breach within [***] ([***])[***] of LICENSEE's discovery of such breach. Material breach by a sublicense shall include, but not be limited to, (i) failure to submit to LICENSEE an accurate report of NET SALES and (ii) failure to pay LICENSEE amounts due and owed under the sublicense agreement on the dates such payments are due.

6.5.a Any sublicense granted in accordance with this LICENSE AGREEMENT prior to expiration of this LICENSE AGREEMENT shall survive any such expiration.

6.5.b LICENSEE shall cause every sublicense agreement granted after June 1, 2009, and in accordance with this LICENSE AGREEMENT to provide LICENSEE the right to assign its rights under the sublicense to UNIVERSITY in the event that this LICENSE AGREEMENT terminates, such assignment shall be accepted by UNIVERSITY in writing within [***] ([***])[***] of receiving written notice from LICENSEE of each such assignment.

4. Sections 6.6 and 6.7 are hereby deleted in their entirety and replaced with the following new Section 6.6 and 6.7.

6.6 In the event that a third party company ("PROSPECTIVE SUBLICENSEE") wishes to commercialize a product for which they require a license under the PATENT RIGHTS ("PROPOSED PRODUCT") in a field that LICENSEE, its AFFILIATES or any sublicensee of either of the foregoing is not then developing, producing, or using the PATENT RIGHTS, then LICENSEE may elect one of the following:

(a) provide UNIVERSITY with written notice, in the form of a reasonable business development plan, that LICENSEE (i) has initiated a development program to commercialize the PROPOSED PRODUCT, or (ii) intends to initiate a development program within [***] ([***])[***] of the date of said written notice; or

Confidential treatment has been requested with respect to portions of this agreement as indicated by "[***]" and such confidential portions have been deleted and filed separately with the Securities and Exchange Commission pursuant to Rule 24b-2 of the Securities Exchange Act of 1934, as amended.

(b) begin good faith negotiations with the PROSPECTIVE SUBLICENSEE; or

(c) grant back to UNIVERSITY their rights to the PATENT RIGHTS under this LICENSE AGREEMENT in the LICENSED FIELD in which such PROPOSED PRODUCT would infringe the PATENT RIGHTS.

6.7 If LICENSEE elects to negotiate with the PROSPECTIVE SUBLICENSEE for a sublicense to develop and commercialize the PROPOSED PRODUCT as provided for in Section 6.6(b), LICENSEE shall make a good faith effort to complete negotiations with the PROSPECTIVE SUBLICENSEE within one hundred and [***] ([***])[***] from the date on which it began negotiations. This one hundred and [***] ([***])[***] period may be extended by UNIVERSITY upon documentation provided to UNIVERSITY by LICENSEE that such extension is reasonable in view of the circumstances. For the purposes of this Section, LICENSEE will have made a good faith effort to complete negotiations if it has offered a sublicense to the PROSPECTIVE SUBLICENSEE the terms of which include (i) reasonable financial terms taking into account the field in which the sublicense is being offered and LICENSEE's obligations to UNIVERSITY pursuant to this LICENSE AGREEMENT; (ii) minimum performance requirements which would not be unreasonably burdensome upon the PROSPECTIVE SUBLICENSEE; and (iii) non-financial terms which are consistent with LICENSEE 's obligations to UNIVERSITY pursuant to this LICENSE AGREEMENT. In the event that LICENSEE and PROSPECTIVE SUBLICENSEE nevertheless fail to consummate any sublicensing transaction, LICENSEE shall provide written notification to UNIVERISTY providing details of the reasons for such failure and shall retain all UNIVERSITY PATENT RIGHTS and UNIVERSITY TECHNOLOGY to such PROPOSED PRODUCT and shall not be deemed to have breached the LICENSE AGREEMENT.

5. Section 7.2 is hereby deleted in its entirety and replaced with the following new Section 7.2:

7.2 It is expressly agreed that, notwithstanding the provisions of any other paragraph of this LICENSE AGREEMENT, upon the occurrence of any of the following events that remain uncured after [***] ([***])[***] of receipt of written notice from UNIVERSITY describing such occurrence, then this LICENSE AGREEMENT shall automatically terminate: (i) the failure to deliver to UNIVERISTY any royalty or other payment at the time or times that the same should be due to UNIVERSITY under this LICENSE AGREEMENT, (ii) failure to provide reports as specified in Sections 4.1 and 4.2, (iii) the failure to keep complete, true and accurate accounting as specified in Section 4.3, (iv) failure to allow representative of UNIVERSITY to inspect LICENSEE's books and records as specified in Section 4.3, (v) failure of LICENSEE to use its commercially reasonable efforts to enforce sublicense's compliance as specified in Section 6.4, (vi) failure of LICENSEE to elect to terminate any sublicense agreement if the

sublicensee is in material breach and fails to cure such breach as specified in Section 6.4 and LICENSEE believes that termination of such sublicense agreement is a commercially reasonable action under the circumstances, (vii) failure to indemnify and hold UNIVERSITY harmless as specified in Section 11.1, 11.2, and 11.4 and (viii) failure to possess and maintain insurance as set forth in Section 11.3.

6. Section 7.5 of Article 7 of the Agreement is hereby amended and replaced in its entirety with the following new Section 7.5:

7.5 Upon early termination of this LICENSE AGREEMENT in whole or in part, LICENSEE shall provide UNIVERSITY with a written inventory of all UNIVERSITY TECHNOLOGY and LICENSED PRODUCTS in the process of manufacture, in use or in stock. LICENSEE shall have the privilege of disposing of the inventory of such LICENSED PRODUCTS within a period of [***] ([***])[***] of such termination, and shall pay to UNIVERSITY one and [***] percent ([***]%) of NET SALES of such LICENSED PRODUCTS within thirty (30) days of such sale. LICENSEE will also have the right to complete performance of all contracts for the sale of LICENSED PRODUCTS by LICENSEE requiring use of UNIVERSITY TECHNOLOGY, PATENT RIGHTS or LICENSED PRODUCTS within and beyond said period of [***] ([***])[***] provided that the remaining term of any such contract does not exceed one year. All LICENSED PRODUCTS which are not disposed of as provided above shall be delivered to UNIVERSITY or otherwise disposed of, in UNIVERSITY's sole discretion, and at LICENSEE's sole expense.

7. Sections 9.1 and 9.2 of Article 9 of the Agreement are hereby amended and replaced in their entirety with the following new Sections 9.1 and 9.2:

9.1 If the production, sale or use of LICENSED PRODUCTS under this LICENSE AGREEMENT by LICENSEE results in any claim for patent infringement against LICENSEE, LICENSEE shall promptly notify UNIVERSITY thereof in writing, setting forth the facts of such claim in reasonable detail. As between the parties to this LICENSE AGREEMENT, LICENSEE shall have the first and primary right and responsibility, at its own expense, to defend and control the defense of any such claim against LICENSEE, by counsel of its own choice. It is understood that any settlement, consent judgment or other voluntary disposition of such actions must be approved by UNIVERSITY, such approval not being unreasonably withheld. Subject to the policies of the Board of Governors of UNIVERSITY, UNIVERSITY agrees to cooperate with LICENSEE in any reasonable manner deemed by LICENSEE to be necessary in defending any such action. LICENSEE shall reimburse UNIVERSITY for any out of pocket expenses incurred in providing such assistance. Notwithstanding any other provision of this Agreement, all royalties, upfront, milestone, and/or sales-based payments, and damages paid by LICENSEE and resulting from any claim for infringement against LICENSEE, a sublicensee of LICENSEE, or UNIVERSITY

and based on LICENSEE or sublicensee's use of UNIVERSITY TECHNOLOGY or PATENT RIGHTS shall be offset against future royalties, fees, or other payments LICENSEE owes to UNIVERSITY hereunder. All other fees and expenses, including legal fees and related expenses, incurred by LICENSEE in defending UNIVERSITY TECHNOLOGY or PATENT RIGHTS against claims for patent infringement shall be offset against future royalties, fees, and other payments LICENSEE owes to UNIVERSITY upon written approval from UNIVERSITY, such approval not to be unreasonably withheld.

9.2 In the event that any PATENT RIGHTS licensed to LICENSEE are infringed by a third party or there is misappropriation of any UNIVERSITY TECHNOLOGY by a third party, LICENSEE shall have the primary right, but not the obligation, to institute, prosecute and control any action or proceeding with respect to such infringement or misappropriation, by counsel of its choice, including any declaratory judgment action arising from such infringement or misappropriation. It is understood that any settlement, consent judgment or other voluntary disposition of such actions must be

approved by UNIVERSITY, such approval not to be unreasonably withheld. If LICENSEE recovers monetary damages from a third party, then LICENSEE shall first be reimbursed for all un-reimbursed expenses and costs incurred by LICENSEE in connection with the prosecution of such action or proceeding and then shall pay to UNIVERSITY twenty percent (20%) of the balance of such recovered monetary damages.

8. Section 10.3 of Article 10 of the Agreement is hereby amended and replaced in its entirety with the following new Section 10.3:

10.3 OTHER THAN AS EXPRESSLY SET FORTH HEREIN, UNIVERSITY DISCLAIMS ALL WARRANTIES WITH REGARD TO PRODUCT(S) AND SERVICE(S) LICENSED UNDER THIS AGREEMENT, INCLUDING, BUT NOT LIMITED TO, ALL WARRANTIES, EXPRESSED OR IMPLIED, OF MERCHANTABILITY AND FITNESS FOR ANY PARTICULAR PURPOSE. OTHER THAN AS EXPRESSLY SET FORTH HEREIN, UNIVERSITY ADDITIONALLY DISCLAIMS ALL OBLIGATIONS AND LIABILITIES ON THE PART OF UNIVERSITY AND INVENTORS, FOR DAMAGES, INCLUDING, BUT NOT LIMITED TO, DIRECT, INDIRECT, SPECIAL, AND CONSEQUENTIAL DAMAGES, ATTORNEYS' AND EXPERTS' FEES, AND COURT COSTS (EVEN IF UNIVERSITY HAS BEEN ADVISED OF THE POSSIBILITY OF SUCH DAMAGES, FEES OR COSTS), ARISING OUT OF OR IN CONNECTION WITH THE MANUFACTURE, USE, OR SALE OF THE PRODUCT(S) AND SERVICE(S) LICENSED UNDER THIS AGREEMENT. LICENSEE ASSUMES ALL RESPONSIBILITY AND LIABILITY ON BEHALF OF ITSELF, ITS AFFILIATE(S) AND ITS SUBLICENSEE(S) FOR LOSS OR DAMAGE CAUSED BY A PRODUCT AND/OR SERVICE MANUFACTURED, USED, OR SOLD BY LICENSEE, ITS SUBLICENSEE(S) AND AFFILIATE(S) WHICH IS A LICENSED PRODUCT(S) AS DEFINED IN THIS AGREEMENT.

Confidential treatment has been requested with respect to portions of this agreement as indicated by "[***]" and such confidential portions have been deleted and filed separately with the Securities and Exchange Commission pursuant to Rule 24b-2 of the Securities Exchange Act of 1934, as amended.

9. Exhibit A to the Agreement is hereby amended and replaced in its entirety with the Exhibit A attached hereto.

10. As consideration for UNIVERSITY amending the PATENT RIGHTS and Exhibit A to include UNIVERSITY file 09-0078, LICENSEE shall pay UNIVERSITY [***] dollars ($[***]) within [***] ([***])[***] of the Effective Date of this Amendment.

11. Exhibit B to the Agreement is hereby deleted in its entirety and replaced with the new Exhibit B attached hereto.

12. This Amendment may be executed in two or more counterparts, each of which shall be deemed an original, but all of which together shall constitute one and the same instrument.

Signature Page Follows

Confidential treatment has been requested with respect to portions of this agreement as indicated by "[***]" and such confidential portions have been deleted and filed separately with the Securities and Exchange Commission pursuant to Rule 24b-2 of the Securities Exchange Act of 1934, as amended.

IN WITNESS WHEREOF, the parties hereto have executed this First Amendment to Amended and Restated License Agreement by their duly authorized officers or representatives.

THE UNIVERSITY OF NORTH CAROLINA AT CHAPEL HILL	LIQUIDIA TECHNOLOGIES, INC.
By: */s/ Catherine Innes*	By: */s/ Bruce Boucher*
Catherine Innes	Bruce Boucher
Director, Office of Technology Development	President

Confidential treatment has been requested with respect to portions of this agreement as indicated by "[***]" and such confidential portions have been deleted and filed separately with the Securities and Exchange Commission pursuant to Rule 24b-2 of the Securities Exchange Act of 1934, as amended.

Exhibit A

PATENT RIGHTS

Confidential treatment has been requested with respect to portions of this agreement as indicated by "[***]" and such confidential portions have been deleted and filed separately with the Securities and Exchange Commission pursuant to Rule 24b-2 of the Securities Exchange Act of 1934, as amended.

Exhibit B

MILESTONES

Exhibit 10.21

6th AMENDMENT TO AMENDED AND RESTATED LICENSE AGREEMENT

6th AMENDMENT TO AMENDED AND RESTATED LICENSE AGREEMENT, ("6th Amendment") effective as of June 10, 2016 ("Effective Date"), by and between The University of North Carolina at Chapel Hill, having an address at 100 Europa Drive, Suite 430, Chapel Hill, North Carolina 27517, ("University"), and Liquidia Technologies, Inc., a corporation existing under the laws of Delaware, and having an address at 419 Davis Drive, Suite 100, Morrisville, NC 27560 ("Licensee").

WITNESSETH:

WHEREAS, Licensee and University have entered into an Amended and Restated License Agreement dated as of December 15, 2008, First Amendment dated June 8, 2009, Second Amendment dated June 1, 2012, Third Amendment dated October 7, 2014, 4th Amendment dated July 22, 2015, and 5th Amendment dated November 12, 2015 (collectively the "Agreement"); and

WHEREAS, University and Licensee wish to amend the Agreement to extend the term for Milestone U under the Agreement upon the terms and conditions set forth below.

NOW, THEREFORE, for good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged and in consideration of the promises and mutual covenants contained in the Agreement and herein, the parties hereto agree as follows:

1. The date for completion of Milestone U shall be amended to replace "January 1, 2018", with "December 31, 2020".

2. This 6th Amendment may be executed in two or more counterparts, each of which shall be deemed an original, but all of which together shall constitute one and the same instrument.

IN WITNESS WHEREOF, the parties hereto have executed this 6th Amendment to Amended and Restated License Agreement by their duly authorized officers or representatives.

THE UNIVERSITY OF NORTH CAROLINA, CHAPEL HILL		LIQUIDIA TECHNOLOGIES, INC.	
BY:	*/s/ Jacqueline Quay*	BY:	*/s/ Shawn Glidden*
Name:	Jacqueline Quay	Name:	Shawn Glidden
Title:	Director of Licensing, OCED	Title:	VP Legal Affairs & Secretary

Confidential treatment has been requested with respect to portions of this agreement as indicated by "[***]" and such confidential portions have been deleted and filed separately with the Securities and Exchange Commission pursuant to Rule 24b-2 of the Securities Exchange Act of 1934, as amended.

MANUFACTURING DEVELOPMENT AND SCALE-UP AGREEMENT

This Manufacturing Development and Scale-up Agreement (the "Agreement") is made as of March 19, 2012 (the "Effective Date"), between **Liquidia Technologies, Inc.**, a Delaware corporation ("Liquidia") having its principal place of business at Suite 100, 419 Davis Drive, Morrisville, NC 27560 and **Chasm Technologies, Inc.**, a Massachusetts corporation ("Chasm") with principal offices located at 85 Wagon Rd, Westwood, MA 02090.

Whereas; Chasm and Liquidia entered into a Consulting Services and License Agreement on 31 August 2006 (the "Chasm Consulting Agreement"), which was mutually terminated by the parties as of the Effective Date; and

Whereas; the parties desire to now enter a manufacturing development and scale-up agreement whereby Chasm wishes to assist Liquidia in scale-up and optimization of Liquidia's PRINT manufacturing capabilities.

In consideration of the mutual promises and agreements contained herein and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties agree as follows:

1. Definitions. Capitalized terms used in this Agreement shall have the meanings specified in this Agreement. In addition, the following terms shall have the meanings below:

"Chasm Pre-Existing Intellectual Property" means Pre-Existing Intellectual Property owned or licensed by Chasm or its subcontractors.

"Deliverable" means any deliverable developed or prepared for Liquidia pursuant to this Agreement.

"Net Sales" means the worldwide gross receipts from sales to third parties of all Products, less all customary deductions actually paid using generally accepted accounting principles for i) trade, cash and quantity credits, discounts, refunds or rebates; ii) allowances or credits to customers actually granted on account of rejection, damage, or return of product; iii) sales commissions; iv) sales and excise taxes (including value added tax) and any other governmental charges imposed upon the production, importation, use or sale of product; and v) transportation charges, including insurance, for transporting product to the extent specifically invoiced to the customer.

"Pre-Existing Intellectual Property" means the data, information, tools, ideas, techniques, methodologies, specifications, documentation, notes and materials, including any patents, patent rights, copyrights, mask works, trade secrets and other intellectual property rights embodied therein, owned or controlled by a party prior to or independent of Chasm's performance under this Agreement, and whether or not used to produce, or embodied in, the Deliverables.

"Products" shall mean any particle or film fabricated in-whole or in-part under this Agreement.

Confidential treatment has been requested with respect to portions of this agreement as indicated by "[***]" and such confidential portions have been deleted and filed separately with the Securities and Exchange Commission pursuant to Rule 24b-2 of the Securities Exchange Act of 1934, as amended.

2. Activities To Be Performed.

2.1 Activities. Liquidia agrees to retain Chasm, and Chasm agrees to perform the services reasonably requested by Liquidia pursuant to the terms of this Agreement (the "Activities"). The Activities are to be performed by Chasm personnel and, subject to the prior written consent of Liquidia, not to be unreasonably withheld, Chasm subcontractors, including, utilization of the resources and any Chasm Pre-Existing Intellectual Property necessary or useful to complete the Activities.

2.2 Use of Subcontractors. Prior to entering into any subcontractor agreement, Chasm shall provide a copy, with the commercial terms redacted, of any such proposed subcontract to Liquidia and receive Liquidia's prior written approval, which shall not be unreasonably withheld. Any such agreement with subcontractors shall prohibit disclosure of Confidential Information and assign to Chasm all rights to any Liquidia Owned Intellectual Property developed by the subcontractor pursuant to this Agreement which Chasm shall thereafter assign to Liquidia as set forth in Sections 7.2, and require the subcontractor to license to Chasm all Subcontractor Pre-Existing Intellectual Property that is used in the Project or Deliverables which Chasm shall thereafter license to Liquidia in accordance with Sections 7.3a and 7.3b, as applicable.

2.3 Changes. This Agreement and any appendix or attachment may be changed only by an agreement in writing signed by an authorized representative of both parties.

2.4 Cooperation. Each party shall generally provide such cooperation as the other party reasonably requests regarding the Activities in accordance with customary business practices. Unless otherwise expressly agreed and as otherwise set forth in this Agreement, such cooperation shall be provided without cost to the other party.

2.5 Ownership of Equipment and Supporting Documentation. Liquidia shall own the entire right, title and interest to all equipment, machinery and supporting documents, plans and reports for the equipment and machinery created as a result of the performance of the Activities unless otherwise agreed to in writing. All material and information protectable by copyright are "works made for hire," as that term is defined in the 1976 Copyright Act as amended (title 17 of the United States Code).

3. Compensation, Royalties and Expenses. Liquidia's payment obligations to Chasm are limited to those expressly defined in the following Sections 3.1, 3.2 and 3.3.

3.1 Compensation. Liquidia agrees to pay Chasm for the Activities in accordance with the compensation schedule for the Activities in Appendix A.

3.2 Expenses. Liquidia agrees to reimburse Chasm for reasonable and necessary travel and out-of-pocket expenses incurred in connection with the performance of the

Confidential treatment has been requested with respect to portions of this agreement as indicated by "[***]" and such confidential portions have been deleted and filed separately with the Securities and Exchange Commission pursuant to Rule 24b-2 of the Securities Exchange Act of 1934, as amended.

Activities. Reimbursement by Liquidia shall be made within thirty days (30) after submission by Chasm to Liquidia of expense reports, with copies of supporting documentation.

3.3 Royalties; Advanced Minimum Royalties.

3.3 a. Advance Minimum Royalties. Upon execution of this Agreement Liquidia shall pay Chasm equal monthly installments of $[***] beginning on the first full month after the Effective Date and continuing for the next consecutive [***] ([***])[***] for a total of $[***] as partial consideration for entering into this Agreement with the significant obligations required of Chasm ("Partial Prepayment of Future Royalties"). In addition, upon the first dosing of the first patient in the first Phase III clinical trial using a Product ("Phase III Initiation"), $[***] shall become due to Chasm by Liquidia and payable by Liquidia to Chasm in equal monthly installments per month for the immediately following [***] ([***])[***]. Together the above Partial Prepayment of Future Royalties of $[***] and Phase III Initiation payment of $[***] shall be defined as the "Advanced Minimum Royalties", which shall apply as partial prepayment of future royalties and be credited against the Cumulative Royalties payable by Liquidia to Chasm hereunder.

3.3.b Future Royalties.

3.3.b.1. Liquidia shall pay to Chasm (i) a royalty of [***] percent ([***]%) of the Net Sales of all Products that incorporate, use, or result from using Liquidia Owned Intellectual Property (the "Sales Royalty") and (ii) a royalty of [***] percent ([***]%) of all license fees and royalties received by Liquidia, from a party other than Chasm or its subcontractors, for each sublicense of Liquidia Owned Intellectual Property (the "License Fee").

3.3.b.2 Notwithstanding the above, the License Fees in this Section 3.3.b shall not be triggered or become due for any sublicense in the context of research collaboration activities or licenses not related to commercialization activities.

3.3.c. During the term of this Agreement, the total maximum amount of monies to be paid by Liquidia to Chasm under this Agreement (which amount includes the Advanced Minimum Royalties, Sales Royalty, and License Fee) shall be $[***] ("Cumulative Royalties"). Upon Liquidia paying to Chasm the Cumulative Royalties, no further monies shall be due under this Agreement and the license grants in this Agreement shall become fully paid worldwide licenses according to their terms. For clarity, the Advanced Minimum Royalties, Sales Royalty, and License Fee aggregate toward the Cumulative Royalties, however the Cumulative Royalties do not include consulting fees or other service related compensation paid by Liquidia to Chasm under this Agreement.

3.4 Payment Terms. Liquidia shall pay each invoice set forth in the compensation schedule in Appendix A, in full, within [***] ([***])[***] of Liquidia's receipt of an accurate and reasonable invoice. Any invoice payable by Liquidia which remains unpaid after the due date shall accrue interest at a rate of [***]% per month. Liquidia shall be liable for all collection expenses incurred by Chasm for delinquent amounts, including without limitation reasonable attorneys' fees.

Confidential treatment has been requested with respect to portions of this agreement as indicated by "[***]" and such confidential portions have been deleted and filed separately with the Securities and Exchange Commission pursuant to Rule 24b-2 of the Securities Exchange Act of 1934, as amended.

3.5 Reports and Royalty Payments. Commencing upon the commercialization of the first Product triggering royalties under this Agreement, within [***] ([***])[***] following the last day of each calendar quarter during the term, Liquidia shall deliver to Chasm a written report showing, in reasonable detail, the royalties owed by such party to the other party in such quarter accompanied by any royalty payments due and owing.

3.6 Audit Rights. Each party shall have the right to audit the relevant records of the other party upon reasonable notice and not more than once annually to verify compliance with the terms of this Agreement. Fees and expenses incurred in connection with such audits will be borne by the auditing party, unless such audit reveals that an error of [***]percent ([***]%) or more and at least $[***], in any payment was made during any given quarter, in which case the fees and expenses incurred in connection with the audit during which such error was discovered will be borne by audited party. Any such audit shall occur during regular business hours, and shall not unreasonably interfere with regular business activities.

3.7 Records. During the term of the Agreement and for [***] ([***])[***] after royalties are due and payable, each party shall maintain true and complete books and records related to all royalty sales and applications.

4. Work Rules. Chasm and Chasm**'**s Representatives (as defined below) agree to comply with Liquidia's applicable work rules and regulations of which Chasm is informed in writing, including any security requirements while on Liquidia premises. Chasm and Chasm's Representatives further agree to comply with all applicable governmental regulations and abide by Liquidia's security requirements while on Liquidia premises.

Each party agrees that when its clients and Representatives are present on the premises of another party to this Agreement, they each shall comply with such rules and regulations as are notified to them for the conduct of individuals on those premises, and are subject to removal from the premises in the event they fail to comply with such rules.

Each party acknowledges and agrees that some of its employees, consultants, subcontractors or independent contractors will be performing work (the "Use Party") on each other party's (the "Location Owner") properties, including laboratories. Each party further acknowledges that the other parties perform work for other clients, including the U.S. Government, where security and confidentiality is an issue. Therefore, the Use Party agrees that it will, if directed by a Location Owner on whose property it is performing work, instruct the Use Party's staff, agents, officers, directors, employees, consultants, subcontractors or independent contractors (its "Representatives") who work on the Location Owner's property, to execute any additional confidentiality agreements or appropriate documents as are deemed reasonably necessary by the Location Owner.

5. Representations, Warranties and Covenants.

5.1 Compliance with Other Agreements. Chasm and Liquidia each represent to the other that to each Party's knowledge the execution of this Agreement, the performance of

the obligations hereunder, and the licenses granted herein do not and will not conflict with, result in the breach or termination of any provisions, or constitute a default under, any agreement to which Chasm or Liquidia, as the case may be, is or may be bound.

5.2 Necessary Licenses. Chasm and Liquidia each represent and warrant to the other that to each Party's knowledge each has all necessary licenses from subcontractors and licensors to perform the Activities, and to complete the Deliverables in accordance with this Agreement.

5.3 Limited Warranty. Chasm represents and warrants that, to its knowledge and belief, (i) Chasm did not use or incorporate any proprietary subcontractor, or other third party, intellectual property into the deliverables generated and/or delivered to Liquidia under the Chasm Consulting Agreement; (ii) Liquidia has the freedom to practice the deliverables generated and/or delivered to Liquidia under the Chasm Consulting Agreement with respect to Chasm pre-existing intellectual property and any intellectual property Chasm developed under the Chasm Consulting Agreement; and (iii) Chasm has the skills and experience necessary to perform the Activities required under this Agreement and that it will use best efforts to the extent commercially reasonable, to perform said Activities in a professional, competent and timely manner.

5.4 Additional Representations, Warranties and Covenants.

5.4.1 All respective former and current employees and subcontractors of Chasm and Liquidia that have, have had, or will have access to confidential information have executed written agreements prohibiting disclosure of confidential information and assigning to each respective party, as applicable, all rights to any and all intellectual property, including inventions made during or derived from their relationship, to each respective party, as applicable.

5.4.2 Each Party has taken and will continue to take commercially reasonable precautions to protect the secrecy of its confidential information and trade secrets.

5.4.3 Neither Party has been alleged to infringe or misappropriate any intellectual property right of any other person or entity, there is no claim or action served or threatened, alleging any such infringement or misappropriation and neither party is aware of any such claim or action.

5.4.4 To the knowledge of the Parties, the operation of their respective businesses as presently conducted does not infringe or misappropriate any third-party intellectual property right.

5.4.5 Chasm represents that, to the best of its knowledge, neither it nor any of its personnel has been debarred, and to the best of its knowledge, is not under consideration to be debarred, by the U.S. Food and Drug Administration from working in or providing consulting services to any pharmaceutical or biotechnology company under the Generic Drug Enforcement Act of 1992.

5.5 No Government Funding. Chasm covenants that none of the Activities performed by Chasm or its subcontractors under this Agreement shall be funded in whole or in part by any government entity.

5.6 Additional Covenants.

5.6.1 Prior to incorporating into its Deliverables any third party intellectual property of which Chasm is aware and that Chasm reasonably believes the manufacture, use, sale, offer to sell, importation or other exploitation of which would require Liquidia to obtain a further license, Chasm shall identify such third party intellectual property to Liquidia. Liquidia shall determine at its sole discretion and notify Chasm, within a commercially reasonably time, whether or not to incorporate such third party intellectual property into the Deliverable. If Liquidia notifies Chasm to incorporate such third party intellectual property, Liquidia shall be responsible for procuring the necessary license that would permit such third party intellectual property to be used in the Project and the Deliverable.

5.6.2 At times reasonably requested by Liquidia, Chasm shall produce to Liquidia a comprehensive list of: a) agreements related to intellectual property of which Chasm is aware and reasonably believes affects or may affect the Activities and/or the use of the Deliverables; and b) all agreements between Chasm employees and their former employers or clients of which Chasm is aware, after a reasonable investigation, and reasonably believes is related to intellectual property that affects or may affect the Activities and/or the use of the Deliverables. All such information and agreements transferred under this Agreement shall be treated as Chasm Confidential Information by Liquidia.

5.6.3 All future employees of Chasm, Chasm subcontractors, and Liquidia that will have access to Confidential Information will execute written agreements prohibiting disclosure of confidential information and assigning to each respective party, as applicable, all rights to any and all intellectual property, including inventions made during or derived from their relationship, to each respective party, as applicable.

5.7 Disclaimer. EXCEPT AS OTHERWISE STATED IN SECTIONS 5.1, 5.2, 5.3, 5.4, 5.5 AND 5.6 NEITHER PARTY MAKES ANY REPRESENTATIONS OR WARRANTIES, OF ANY KIND OR NATURE, WHETHER EXPRESS OR IMPLIED, INCLUDING WARRANTIES OF MERCHANTABILITY OR FITNESS FOR A PARTICULAR PURPOSE OR USE, TITLE OR NON-INFRINGEMENT.

6. Confidentiality.

6.1 Each party acknowledges that in the course of this Agreement it will receive information about, and access to, trade secrets and other confidential and proprietary information which is vital to the competitive position and success of the other party to this Agreement. The term "Confidential Information" as used throughout this Agreement shall mean with respect to a party, all proprietary information and technology of such party that is disclosed to the other party under this Agreement, whether disclosed in oral, written, graphic, or electronic form. Notwithstanding the foregoing, all information and technology generated under this

Agreement, whether generated by one or both parties shall be deemed the Confidential Information of the party that owns such information and technology under the terms of this Agreement.

Except as expressly provided herein, the parties agree that, under this Agreement and for ten (10) years thereafter, each party will keep completely confidential and will not publish or otherwise disclose or use any Confidential Information of the other party except in connection with the activities contemplated by this Agreement without such other party's prior written consent, except for that portion of such information or materials that the receiving party can demonstrate by competent tangible proof:

(a) was already known or available to the receiving party, other than under an obligation of confidentiality or non-use to the other party, at the time of disclosure to the receiving party;

(b) was part of the public domain, at the time of its disclosure to the receiving party;

(c) became part of the public domain, after its disclosure to the receiving party through no fault of or breach of its obligations under this Agreement by the receiving party;

(d) was lawfully disclosed to the receiving party, other than under an obligation of confidentiality or non-use, by a third party rightfully in possession of the Confidential Information who had no obligation to the disclosing party not to disclose such information to others;

(e) was independently discovered or developed by or for the receiving party without access to, use of, reference to, or reliance upon Confidential Information belonging to the disclosing party; or

(f) is required to be disclosed pursuant to any applicable law, regulation, or legal order, provided that the receiving party has notified the disclosing party upon learning of the possibility that disclosure could be required pursuant to any such law, regulation, or legal order and has given the disclosing party a reasonable opportunity to contest or limit the scope of such required disclosure and has cooperated with the disclosing party toward this end.

Notwithstanding the above, specific aspects or details of Confidential Information will not be deemed to be within the public domain or in the prior possession of the receiving party merely because the aspects or details of the Confidential Information are embraced by general disclosures in the public domain. In addition, any combination of Confidential Information will not be considered in the public domain or in the prior possession of the receiving party merely because individual elements thereof are in the public domain or in the prior possession of the receiving party unless the combination is in the public domain or in the prior possession of the receiving party.

Each of the parties agrees that it shall provide Confidential Information received from the other party only to the receiving party's respective directors, officers, employees, agents, and financial and legal advisors who have a need to know such Confidential Information to assist the receiving party with the activities contemplated by this Agreement and are under written agreements of confidentiality at least as restrictive as those set forth in this Agreement.

6.2 Return of Confidential Information. Upon expiration or early termination of this Agreement, each party shall return or destroy all Confidential Information received by it

from the other party. Notwithstanding the foregoing, each party shall be allowed to keep one (1) archival copy of any Confidential Information of the other party for record-keeping purposes only.

6.3 The Activities anticipated in this Agreement shall be performed by Representatives who may be retained by each party. Any individual who assists in the performance of the Activities anticipated herein shall, prior to providing any such assistance, have executed an agreement with its employer or contracting party that is a signatory to this Agreement with terms no less restrictive than the terms of this Agreement.

7. Intellectual Property Rights and Licenses

7.1 Each party shall own its Pre-Existing Intellectual Property. Liquidia and/or Chasm or Chasm subcontractors from time to time may invent and/or create and/or develop and/or license or otherwise acquire rights and/or interests in intellectual property in performing the Activities, including rights and interests in any inventions (whether patentable or not), trade secrets, know how, and works of authorship fixed in any tangible medium of expression, known or later developed, from which they can be perceived, reproduced, or otherwise communicated, whether directly or with the aid of a machine or device (whether registerable or not) in connection with performing the Activities under this Agreement ("New Project IP"); provided that New Project IP shall not include any Pre-Existing Intellectual Property.

7.2 With respect to New Project IP, Liquidia and Chasm agree that all right, title and interest in New Project IP shall be owned by Liquidia ("Liquidia Owned Intellectual Property"). Chasm agrees to assign and hereby does assign to Liquidia its entire right, title and interest to Liquidia Owned Intellectual Property including all of Chasms rights to bring suit and recover damages for past and future infringement.

7.3 a. Chasm grants Liquidia a perpetual, exclusive, sublicensable worldwide license, in accordance with the terms of this Agreement, to make, have made, use, offer to sell, sell, import, reproduce, prepare derivative works, and distribute Chasm Pre-Existing Intellectual Property solely as incorporated into the Activities and/or Deliverables for use or applications related to molded particles and harvested molded particles (the "Liquidia Permitted Exclusive Uses").

b. Chasm grants Liquidia a perpetual, non-exclusive, sublicensable worldwide license, in accordance with the terms of this Agreement, to make, have made, use, offer to sell, sell, import, reproduce, prepare derivative works, and distribute Chasm Pre-Existing Intellectual Property solely as incorporated into the Activities and/or Deliverables for any use or application with Liquidia's PRINT platform technology other than molded particles and harvested molded particles (the "Liquidia Permitted Non-exclusive Uses").

7.4 All sublicenses shall include terms to protect the confidentiality of Chasm Pre-Existing Intellectual Property with terms at least as restrictive as this Agreement.

7.5 Chasm may cause the exclusive license granted in Section 7.3 to Liquidia Permitted Exclusive Uses to become non-exclusive when (a) after the fourth anniversary of the Phase III Initiation if the cumulative of the Advanced Minimum Royalties, Sales Royalty and License Fee paid by Liquidia to Chasm have not exceeded $[***] and Liquidia has failed to bring such cumulative total payment to Chasm to $[***] after thirty (30) days written notice from Chasm and (b) after the eighth anniversary of the Phase III Initiation if Liquidia has not paid Chasm the Cumulative Royalties and Liquidia has failed to satisfy the Cumulative Royalties after thirty (30) days written notice from Chasm.

8. Term and Termination.

8.1 Term. This Agreement is in effect from the Effective Date until the Activities are completed and accepted by Liquidia unless terminated earlier.

8.2 Termination.

8.2.1 Material Breach. Either party may, upon giving thirty (30) days written notice, terminate this Agreement for the other party's breach of any of its material obligations under this Agreement, provided that the breaching party shall not have cured such breach within the thirty (30) day notice period.

8.2.2 Either party may terminate this Agreement for its convenience upon giving sixty (60) days prior written notice to the other party.

8.2.3 Mutual Termination. The parties may agree to terminate this Agreement in a writing signed by both parties at any time prior to completion of the Activities.

8.3 Effect of Termination.

8.3.1 Upon termination of this Agreement, each party shall promptly return to the other party all Confidential Information of the other party and all equipment and products owned or controlled by the other party in its possession or under its control.

8.3.2 In the event of a material breach by Liquidia, all licenses granted to Liquidia shall terminate, provided Liquidia does not cure such breach within [***] ([***]) [***] following receipt of a detailed written notice of the breach by Chasm.

8.3.3 In the event of a material breach by Chasm, Liquidia shall pay Chasm for all reasonable out of pocket costs and expenses for Activities accepted through the termination date subject to a set-off by Liquidia of costs associated with Chasm's material breach and all licenses granted to Liquidia hereunder shall survive.

8.3.4 Should Liquidia terminate this Agreement under Section 8.2.2 for convenience, all Liquidia Owned Intellectual Property created as of the date of termination shall remain the property of Liquidia, all license rights and obligations created under this Agreement

Confidential treatment has been requested with respect to portions of this agreement as indicated by "[***]" and such confidential portions have been deleted and filed separately with the Securities and Exchange Commission pursuant to Rule 24b-2 of the Securities Exchange Act of 1934, as amended.

as of the date of termination shall survive the termination and Liquidia shall pay Chasm (a) reasonable costs and expenses incurred by Chasm under this Agreement through the termination date, and (b) the Advanced Minimum Royalties under Section 3.3 a.

8.3.5 Should the parties terminate this Agreement under Section 8.2.3 for mutual convenience, all Liquidia Owned Intellectual Property created as of the date of termination shall remain the property of Liquidia, all license rights and obligations created under this Agreement as of the date of termination shall survive the termination and Liquidia shall pay Chasm reasonable costs and expenses incurred by Chasm under this Agreement through the termination date.

8.3.6 For the avoidance of doubt, the Parties acknowledge that Liquidia's ownership rights with respect to Liquidia Owned Intellectual Property is and shall be irrevocable and unaffected by any expiration or termination of this Agreement for any reason.

8.4 Survival. Sections 2.5, 3.3-3.7, 5, 6, 7, 8.3, 8.4, 9-15, and 18-19 shall survive the expiration or termination of this Agreement.

9. Specific Performance. Chasm and Liquidia each recognizes that irreparable injury may be caused to the other by its violation or material breach of Sections 6-7 of this Agreement, and Chasm and Liquidia each agrees that, in the event of any such violation, in addition to such other rights and remedies as may exist under this Agreement, the other may apply to any court of law or equity having jurisdiction to enforce the specific performance of the provisions hereof, and may apply for injunctive relief against any act which would violate any such provisions.

10. Limitation on Liability. TO THE MAXIMUM EXTENT PERMITTED BY APPLICABLE LAW, NEITHER PARTY SHALL BE LIABLE FOR ANY CONSEQUENTIAL, INCIDENTAL, PUNITIVE OR SPECIAL DAMAGES (INCLUDING LOSS OF PROFITS, DATA, BUSINESS OR GOODWILL), REGARDLESS OF WHETHER SUCH LIABILITY IS BASED ON BREACH OF CONTRACT, TORT, STRICT LIABILITY, BREACH OF WARRANTIES, FAILURE OF ESSENTIAL PURPOSE OR OTHERWISE, AND EVEN IF ADVISED OF THE LIKELIHOOD OF SUCH DAMAGES. TO THE MAXIMUM EXTENT PERMITTED BY APPLICABLE LAW, THE LIABILITY OF CHASM FOR DIRECT DAMAGES, REGARDLESS OF WHETHER SUCH LIABILITY IS BASED ON BREACH OF CONTRACT, TORT, STRICT LIABILITY, BREACH OF WARRANTIES, FAILURE OF ESSENTIAL PURPOSE OR OTHERWISE, UNDER THIS AGREEMENT OR WITH RESPECT TO THE ACTIVITIES SHALL IN NO EVENT EXCEED THE AGGREGATE AMOUNT OF FEES WHICH CHASM RECEIVES IN CONNECTION WITH THIS AGREEMENT. THESE LIMITATIONS ARE INDEPENDENT OF ALL OTHER PROVISIONS OF THIS AGREEMENT AND SHALL APPLY NOTWITHSTANDING THE FAILURE OF ANY REMEDY PROVIDED HEREIN.

11. Independent Contractor. Chasm and Liquidia agree that Chasm shall provide the Activities to Liquidia solely as an independent contractor. This Agreement is not intended to and should not be deemed to create an employment or principal-agent relationship or joint venture between Chasm, or any of its employees or contractors, and Liquidia, and neither party shall

Confidential treatment has been requested with respect to portions of this agreement as indicated by "[***]" and such confidential portions have been deleted and filed separately with the Securities and Exchange Commission pursuant to Rule 24b-2 of the Securities Exchange Act of 1934, as amended.

have the right, power or authority to obligate, commit or incur any liability on behalf of the other party or to otherwise act in any way as an agent or representative of the other party or bind the other in any manner whatsoever.

12. Bankruptcy. The licenses granted in this Agreement ("Licenses") are licenses for intellectual property, as such term is defined in Section 101 of Title 11 of the United States Code (the "Bankruptcy Code"). The parties acknowledge and agree that, upon the filing of a petition for relief under the Bankruptcy Code by or against the Grantor (a "Filing"), whether such Filing is voluntary or involuntary, it is intended that this Agreement and the Licenses shall be subject to the provisions of Section 365(n) of the Bankruptcy Code, and, as such, the parties shall retain and may fully exercise all of its rights and elections provided thereunder. In the event of a Filing, the parties shall, promptly upon written request by the other party, comply with the provisions of Section 365(n) of the Bankruptcy Code, including subsections (3) and (4) thereof.

13. Severability. In the event any provision of this Agreement, in whole or in part, is invalid, unenforceable or in conflict with the applicable laws or regulations of any jurisdiction, such provision will be replaced, to the extent possible, with a provision which accomplishes the original business purposes of the provision in a valid and enforceable manner, and the remainder of this Agreement will remain unaffected and in force provided, however, that if without such invalid or unenforceable provision the fundamental mutual objectives of the parties cannot be achieved, either party may terminate this Agreement without penalty by written notice to the other.

14. Governing Law; Headings; Counterparts. This Agreement shall be governed by and interpreted according to the laws of the State of Delaware without regard for any choice or conflict of laws rule or provision that would result in the application of the substantive law of any other jurisdiction. The headings of the several sections are for convenience only and are not intended to be part of or to affect the meaning or interpretation of this Agreement. This Agreement may be executed in counterparts (all of which counterparts shall constitute one and the same agreement) and may be executed by facsimile transmission.

15. Assignment; Successors & Assigns. This Agreement and the rights and obligations hereunder may not be assigned in whole or in part by any party and any such assignment shall be null and void; provided, however, that an assignment may be made by any party to the surviving entity of a merger or acquisition of substantially all of the assets of such party. This Agreement shall bind and inure to the benefit of all parties to this Agreement and their respective successors and permitted assigns.

16. Force Majeure. Neither party will be liable for any delays or failures in performance due to circumstances beyond its reasonable control. In the event that either party is prevented from performing due to causes beyond its control, such party shall notify the other party, explaining the cause for same and the dates or times for performance shall be extended for the period of the delay and a reasonable additional time.

Confidential treatment has been requested with respect to portions of this agreement as indicated by "[***]" and such confidential portions have been deleted and filed separately with the Securities and Exchange Commission pursuant to Rule 24b-2 of the Securities Exchange Act of 1934, as amended.

17. Entire Agreement; Waiver. This Agreement together with the appendices and attachments thereto, sets forth the entire agreement between the parties concerning the transactions and arrangements contemplated hereby, and supersede all prior oral or written arrangements or agreements. This Agreement may be amended only by an instrument in writing signed by both parties and may be waived only by an instrument in writing signed by the party against whom enforcement of the waiver is sought. The waiver by either party of any breach of this Agreement on one occasion shall not operate or be construed as a waiver of any other breach on another occasion.

18. Remedies. Except as expressly provided herein, the remedies provided in this Agreement are not and shall not be deemed to be exclusive and shall be in addition to any other remedies that a Party may have at law or in equity.

19. Publicity. Other than with respect to any internal reports or reporting to federal, state, and local authorities for purposes of compliance with legal reporting requirements (such as, for example, any appropriate reporting to the U.S. Securities & Exchange Commission), neither Party shall, without the express written consent of the other Party, use the name or mark of the other Party in transacting business or issue any public reports, statements, or releases pertaining to the transaction contemplated by this Agreement.

IN WITNESS WHEREOF, Liquidia and Chasm have duly executed this Agreement as of the Effective Date.

Chasm Technologies, Inc.		**Liquidia Technologies, Inc.**	
By:	*/s/ Robert F. Praino*	By:	*/s/ Bruce Boucher*
Name:	Robert F. Praino	Name:	Bruce Boucher
Title:	Co-Founder	Title:	President & CFO

Confidential treatment has been requested with respect to portions of this agreement as indicated by "[***]" and such confidential portions have been deleted and filed separately with the Securities and Exchange Commission pursuant to Rule 24b-2 of the Securities Exchange Act of 1934, as amended.

APPENDIX A

Exhibit 10.23

Confidential treatment has been requested with respect to portions of this agreement as indicated by "[***]" and such confidential portions have been deleted and filed separately with the Securities and Exchange Commission pursuant to Rule 24b-2 of the Securities Exchange Act of 1934, as amended.

CONFIDENTIAL

1st AMENDMENT TO MANUFACTURING DEVELOPMENT AND SCALE-UP AGREEMENT

1st AMENDMENT TO MANUFACTURING DEVELOPMENT AND SCALE-UP AGREEMENT, ("1st Amendment") effective as of May 25, 2017 ("Effective Date"), by and between Chasm Technologies, Inc., a Massachusetts corporation ("Chasm") having a place of business at 85 Wagon Rd, Westwood, MA 02090; B&D Holdings, Inc., a Massachusetts corporation ("B&D") having a place of business at 85 Wagon Rd, Westwood, MA 02090; and Liquidia Technologies, Inc, a Delaware corporation ("Liquidia"), having a place of business at Suite 100, 419 Davis Drive, Durham, NC 27713. For simplicity, Chasm and B&D may be collectively referred to herein as B&D.

WITNESSETH:

WHEREAS, Liquidia and Chasm Technologies, Inc., ("Chasm") have entered into a Manufacturing Development and Scale-up Agreement having an effective date of March 19, 2012 ("Agreement");

WHEREAS, Chasm assigned the Agreement, in part, to B&D on or after January 22, 2014, with written consent of Liquidia dated January 22, 2014, and May 13, 2014.

WHEREAS; Chasm, B&D and Liquidia now wish to amend the Agreement upon the terms and conditions set forth below.

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

1. The monthly installment payment mechanism of the Phase III Initiation payment of [***] ($[***]) dollars is hereby deleted in its entirety and replaced with the following payment mechanism:

   Liquidia shall pay B&D (i) [***] ($[***]) dollars upon execution of this 1st Amendment; (ii) [***] ($[***]) dollars upon the first dosing of the first patient in the first Phase III clinical trial using a Product ("Phase III Initiation"); and (iii) [***] ($[***]) dollars no later than December 31, 2018.

2. Liquidia hereby agrees to accelerate [***] ($[***]) dollars of the remaining Cumulative Royalties to become due and payable upon the first approval of Liquidia's first new drug application ("NDA") ("Additional Advanced Minimum Royalty").

3. For clarity, cumulatively the Advanced Minimum Royalties, Additional Advanced Minimum Royalty, Sales Royalty and License Fee paid under the Agreement and this 1st Amendment shall not exceed the Cumulative Royalties of [***] ($[***]) dollars as defined in the Agreement. For further clarity, upon full payment of (i) the Advanced Minimum Royalties, which includes the previously paid-in-full Partial Prepayment of Future Royalties of [***] ($[***]) dollars and the

Confidential treatment has been requested with respect to portions of this agreement as indicated by "[***]" and such confidential portions have been deleted and filed separately with the Securities and Exchange Commission pursuant to Rule 24b-2 of the Securities Exchange Act of 1934, as amended.

Phase III Initiation payment herein, and (ii) the Additional Advanced Minimum Royalty, the remaining Cumulative Royalties under the Agreement equals [***] ($[***]) dollars.

4. This 1st Amendment shall be governed by and interpreted according to the laws of the State of Delaware without regard for any choice or conflict of laws rule or provision.

5. In the event any provision of this 1st Amendment, in whole or in part, is determined to be invalid or unenforceable by a court of competent jurisdiction such provision shall be replaced, to the extent possible, with a provision which accomplishes the original business purpose and intent of the invalid or unenforceable provision. The remainder of this 1st Amendment will remain unaffected and in force.

IN WITNESS WHEREOF, the parties hereto have executed this 1st Amendment to Manufacturing Development and Scale-up Agreement by their duly authorized officers or representatives.

CHASM TECHNOLOGIES, INC.

BY: */s/ Robert F. Praino Jr*
Name: Robert F. Praino Jr
Title: Co-Founder, Sec/Treas

LIQUIDIA TECHNOLOGIES, INC.

BY: */s/ Shawn Glidden*
Name: Shawn Glidden
Title: VP Legal Affairs & Secretary

B&D HOLDINGS, INC.

BY: */s/ Robert F. Praino Jr*
Name: Robert F. Praino Jr
Title: Co-Founder, Sec/Treas

Exhibit 10.28

AMENDED AND RESTATED EXECUTIVE EMPLOYMENT AGREEMENT

This **AMENDED AND RESTATED EXECUTIVE EMPLOYMENT AGREEMENT** (the "***Agreement***") is entered into on , 2018, by and between Tim Albury ("***Executive***") and Liquidia Technologies, Inc., a Delaware corporation (the "***Company***"). Each of the Company and Executive is a "***Party***" and, collectively, they are the "***Parties***."

The Company and Executive entered into an Executive Employment Agreement dated January 22, 2018 (the "***Prior Agreement***"); and

The Company intends to file a Registration Statement on Form S-1 under the Securities Act of 1933, registering for sale to the public shares of its common stock, par value $0.001 per share (the "***Registration Statement***"); and

Upon the "effective date" of the Registration Statement, as declared by the U.S. Securities and Exchange Commission (the "***Effective Date***"), the Parties wish to have this Agreement amend, restate and supersede the Prior Agreement; and

The Parties agree that this Agreement supersedes any and all prior employment agreement and understandings between the Parties and to provide for the employment of Executive upon the terms and conditions set forth herein.

Accordingly, in consideration of the mutual promises and covenants contained herein, the Parties agree to the following:

1. EMPLOYMENT BY THE COMPANY.

1.1 **At-Will Employment**. Executive shall be employed by the Company on an "at will" basis, meaning either the Company or Executive may terminate Executive's employment at any time, with or without cause or advance notice. Any contrary representations that may have been made to Executive shall be superseded by this Agreement. This Agreement shall constitute the full and complete agreement between Executive and the Company on the "at will" nature of Executive's employment with the Company, which may be changed only in an express written agreement signed by Executive and a duly authorized officer of the Company. Executive's rights to any compensation following a termination shall be only as set forth in Section 6.

1.2 **Position**. Subject to the terms set forth herein, the Company agrees to employ Executive in the position of Senior Vice President, Chief Accounting Officer, and Executive hereby accepts such employment. Executive will report to the President and Chief Financial Officer ("***CFO***") and/or such executive designated by the CFO.

1.3 **Duties**. Executive shall faithfully perform all duties of the Company related to the position or positions held by Executive, including but not limited to all duties set forth in this Agreement and/or in the Bylaws of the Company related to the position or positions held by Executive and all additional duties that are reasonably prescribed from time to time by the CFO or other designated officers or directors of the Company. Executive shall devote Executive's full business time and attention to the performance of Executive's duties and responsibilities on behalf of the Company and in furtherance of its best interests. Executive shall perform Executive's duties under this Agreement principally out of the Company's corporate headquarters in North Carolina. In addition, Executive shall make such business trips at the

---

Company's expense to such places as may be necessary or advisable for the efficient operations of the Company.

1.4 **Company Policies**. Executive shall comply with all Company policies, standards, rules and regulations (a "***Company Policy***" or collectively, the "***Company Policies***") and all applicable government laws, rules and regulations that are now or hereafter in effect. Executive acknowledges receipt of copies of all written Company Policies that are in effect as of the date of this Agreement. Notwithstanding the foregoing, in the event that the terms of this Agreement differ from or are in conflict with the Company's general employment policies or practices, this Agreement shall control.

2. COMPENSATION.

2.1 **Salary**. Executive shall receive a monthly salary of $29,333.33, which equates to $352,000.00 on an annualized basis, payable subject to standard federal and state payroll withholding requirements in accordance with the Company's standard payroll practices ("***Base Salary***"). Executive's Base Salary may be increased from time to time by the Board of Directors of the Company (the "***Board***"). Notwithstanding anything to the contrary, the Base Salary may be reduced if the Board determines such reduction is necessary and justified by the financial condition of the Company and implements an equal percentage reduction in the base salaries of all of the Company's executive officers, but in no event will such reduction be greater than ten percent (10%) of the Base Salary. A reduction in Executive's Base Salary in accordance with the immediately preceding sentence shall not constitute a material diminution in Base Salary as described in Section 6.4(b) of this Agreement.

2.2 **Bonus**. During the period Executive is employed with the Company, Executive shall be eligible to earn for Executive's services to be rendered under this Agreement a discretionary annual cash bonus of up to 25% of Base Salary ("***Target Amount***"), subject to review and adjustment by the Company in its sole discretion, payable subject to standard federal and state payroll withholding requirements. Whether or not Executive earns any bonus will be dependent upon (a) Executive's continuous performance of services to the Company through the date any bonus is paid, except as set forth in Section 6.1(b) and Section 6.6 below; and (b) the actual achievement by Executive and the Company of the applicable performance targets and goals set by the Board in advance of, or within the first quarter of, each calendar year. The annual period over which performance is measured for purposes of this bonus is January 1 through December 31. The Board will determine in its reasonable discretion the extent to which Executive and the Company have achieved the performance goals upon which the bonus is based and the amount of the bonus, which could be below the Target Amount (and may be zero). Any bonus shall be subject to the terms of any applicable incentive compensation plan adopted by the Company. Any bonus, if earned, will be paid to Executive within the time period set forth in the incentive compensation plan, or if no such time period was established, within two and one-half months following the end of the year during which the bonus is earned.

2.3 **Benefits**. Executive will be eligible to participate on the same basis as similarly situated employees in the Company's benefit plans in effect from time to time during Executive's employment. All matters of eligibility for coverage or benefits under any benefit

plan shall be determined in accordance with the provisions of such plan. The Company reserves the right to change, alter, or terminate any benefit plan in its sole discretion.

2.4 **Expense Reimbursement**. The Company shall reimburse Executive for all customary and appropriate business-related expenses actually incurred and documented in accordance with Company Policy, as in effect from time to time. For the avoidance of doubt, to the extent that any reimbursements payable to Executive are subject to the provisions of Section 409A of the Internal Revenue Code of 1986, as amended (the "***Code***"): (a) any such reimbursements will be paid no later than December 31 of the year following the year in which the expense was incurred, (b) the amount of expenses reimbursed in one year will not affect the amount eligible for reimbursement in any subsequent year, and (c) the right to reimbursement under this Agreement will not be subject to liquidation or exchange for another benefit.

3. PROPRIETARY INFORMATION, INVENTIONS, NON-COMPETITION AND NON-SOLICITATION OBLIGATIONS. The Parties have entered into a Confidentiality, Inventions and Non-Competition Agreement (the "***Confidential Information Agreement***"), which may be amended by the Parties from time to time without regard to this Agreement. The Confidential Information Agreement contains provisions that are intended by the Parties to survive and do survive termination of this Agreement.

3.1 **Permissible Communications**. Notwithstanding anything to the contrary in the Confidential Information Agreement, Executive acknowledges that nothing in the Confidential Information Agreement shall be construed to prohibit Executive from (a) filing a charge or complaint with, or participating in any proceeding before, a government agency authorized to enforce and investigate suspected violations of federal anti-discrimination laws, labor relations laws, occupational health and safety laws, wage and hour laws, and such similar state or local laws; (b) reporting possible violations of federal securities laws to the appropriate government enforcing agency and make such other disclosures that are expressly protected under such laws, or (c) responding truthfully to inquiries from, or otherwise cooperating with, any governmental or regulatory investigation (the activities set forth in clauses (a) through (c) are collectively referred to as the "***Protected Activities***"). Executive understands that in connection with such Protected Activity, Executive is permitted to disclose documents or other information as permitted by law, and without giving notice to, or receiving authorization from, the Company; *provided, however*, that Executive agrees to take all reasonable precautions to prevent any unauthorized use or disclosure of any information that may constitute Proprietary Information under the Confidential Information Agreement to any parties other than the appropriate government agencies. Executive further understands that "Protected Activity" does not include the disclosure of any Company attorney-client privileged communications, and that any such disclosure without the Company's written consent shall constitute a material breach of this Agreement.

3.2 **Defend Trade Secrets Act.** Pursuant to the Defend Trade Secrets Act of 2016, Executive acknowledges that Executive will not have criminal or civil liability under any Federal or State trade secret law for the disclosure of a trade secret that (a) is made (i) in confidence to a Federal, State, or local government official, either directly or indirectly, or to an attorney and (ii) solely for the purpose of reporting or investigating a suspected violation of law; or (b) is made in a complaint or other document filed in a lawsuit or other proceeding, if such filing is made under

seal. In addition, if Executive files a lawsuit for retaliation by the Company for reporting a suspected violation of law, Executive may disclose the trade secret to Executive's attorney and may use the trade secret information in the court proceeding, if Executive (x) files any document containing the trade secret under seal and (y) does not disclose the trade secret, except pursuant to court order.

4. OUTSIDE ACTIVITIES DURING EMPLOYMENT. Except with the prior written consent of the Company, which shall not be unreasonably withheld, Executive will not, while employed by the Company, undertake or engage in any other employment, occupation or business enterprise that would interfere with Executive's responsibilities and the performance of Executive's duties hereunder, except for (i) reasonable time devoted to volunteer services for or on behalf of such religious, educational, non-profit and/or other charitable organization as Executive may wish to serve, (ii) reasonable time devoted to activities in the non-profit and business communities consistent with Executive's duties, and (iii) such other activities as may be specifically approved by the Company. This restriction shall not, however, preclude Executive from owning less than one percent (1%) of the total outstanding shares of a publicly traded company, or employment or service in any capacity with Affiliates of the Company. As used in this Agreement, "***Affiliates***" means an entity under common management or control with the Company.

5. NO CONFLICT WITH EXISTING OBLIGATIONS. Executive represents that Executive's performance of all the terms of this Agreement and as an executive of the Company do not and will not breach any agreement or obligation of any kind made prior to Executive's employment by the Company, including agreements or obligations Executive may have with prior employers or entities for which Executive has provided services. Executive has not entered into, and Executive agrees that Executive will not enter into, any agreement or obligation, either written or oral, in conflict herewith.

6. TERMINATION OF EMPLOYMENT. The Parties acknowledge that Executive's employment relationship with the Company is at-will. The provisions in this Section govern the amount of compensation, if any, to be provided to Executive upon termination of employment and do not alter this at-will status.

6.1 **Termination by the Company Without Cause**.

(a) The Company shall have the right to terminate Executive's employment with the Company pursuant to this Section 6.1 at any time without "Cause" (as defined in Section 6.2(b) below) by giving notice as described in Section 7.1 of this Agreement. A termination pursuant to Sections 6.3 and 6.5 below is not a termination without "Cause" for purposes of receiving the benefits described in this Section 6.1.

(b) If the Company terminates Executive's employment at any time without Cause and provided that such termination constitutes a "separation from service" (as defined under Treasury Regulation Section 1.409A-1(h) a "***Separation from Service***"), then Executive shall be entitled to receive the Accrued Obligations (defined below) and, subject to Executive's compliance with the obligations in Section 6.1(c) below, then Executive shall also be entitled to receive (collectively, the "***Severance Benefits***"):

(i) an amount equal to Executive's then current Base Salary for six (6) months (the "***Severance Period***"), less all applicable withholdings and deductions, paid in equal installments beginning on the Company's first regularly scheduled payroll date following the Release Effective Date (as defined in Section 6.1(c) below), with the remaining installments occurring on the Company's regularly scheduled payroll dates thereafter;

(ii) an amount equal to the bonus that Executive would have earned pursuant to Section 2.2 if Executive had remained employed through the end of the applicable fiscal year in which the termination date occurs, pro-rated based on the number of days that Executive was employed with the Company during the applicable fiscal year, payable on the date that such bonus is paid to the Company's other executives; and

(iii) payment of the employer portion of the premiums required to continue Executive's group health care coverage under the applicable provisions of the Consolidated Omnibus Budget Reconciliation Act of 1985 ("***COBRA***"), provided that Executive timely elects to continue coverage under COBRA, until the earliest of (A) the close of the Severance Period, (B) the expiration of Executive's eligibility for the continuation coverage under COBRA, or (C) the date when Executive becomes eligible for substantially equivalent health insurance coverage in connection with new employment (such period from the termination date through the earliest of (A), (B) or (C), the "***COBRA Payment Period***"). Notwithstanding the foregoing, if at any time the Company determines in its sole discretion that the payment of the COBRA premiums would result in a violation of the nondiscrimination rules of Section 105(h)(2) of the Code, or any statute or regulation of similar effect (including but not limited to the 2010 Patient Protection and Affordable Care Act, as amended by the 2010 Health Care and Education Reconciliation Act), then in lieu of providing the COBRA premiums, the Company will instead pay Executive on the last day of each remaining month of the COBRA Payment Period, a fully taxable cash payment equal to the COBRA premiums for that month, subject to applicable tax withholdings for the remainder of the COBRA Payment Period, regardless of whether Executive elects COBRA coverage (the "***Special Severance Payment***"). Executive may, but is not obligated to, use such Special Severance Payment toward the cost of COBRA premiums. If Executive becomes eligible for coverage under another employer's group health plan or otherwise ceases to be eligible for COBRA during the COBRA Payment Period, Executive must immediately notify the Company of such event, and all payments and obligations under this clause will cease.

(c) Executive will be paid all of the Accrued Obligations on the Company's first payroll date after Executive's date of termination from employment or earlier if required by law. Executive shall receive the Severance Benefits pursuant to Section 6.1(b) of this Agreement if: (i) Executive signs and delivers to the Company an effective, general release of claims in favor of the Company and its affiliates and representatives, in a form acceptable to the Company (the "***Release***"), by the 60th day following the termination date or such earlier date as set forth in the Release, which cannot be revoked in whole or part (if applicable) by such date or such earlier date as set forth in the Release (the date that the Release can no longer be revoked is referred to as the "***Release Effective Date***"); (ii) if Executive holds any other positions with the Company, Executive resigns such position(s) to be effective no later than the date of Executive's termination date (or such other date as requested by the Board); (iii) Executive returns all Company property in proper order and condition, reasonable wear and tear excepted, (including,

but not limited to, all books, documents, papers, materials and any other property or assets relating to the business or affairs of the Company which may be in Executive's possession or under his control but excluding copies of records related to Executive's compensation from the Company and any equity ownership in the Company); (iv) Executive complies with all post-termination obligations under this Agreement and the Confidential Information Agreement; and (v) Executive complies with the terms of the Release, including without limitation any non-disparagement and confidentiality provisions contained in the Release. To the extent that any Severance Benefits are deferred compensation under Section 409A of the Code, and are not otherwise exempt from the application of Section 409A, then, if the period during which Executive may consider and sign the Release spans two calendar years, the payment of Severance Benefits will not be made or begin until the later calendar year.

(d) For purposes of this Agreement, "***Accrued Obligations***" are (i) Executive's accrued but unpaid salary through the date of termination, (ii) any unreimbursed business expenses incurred by Executive payable in accordance with the Company's standard expense reimbursement policies, and (iii) benefits owed to Executive under any qualified retirement plan or health and welfare benefit plan in which Executive was a participant in accordance with applicable law and the provisions of such plan.

(e) The Severance Benefits provided to Executive pursuant to this Section 6.1 is in lieu of, and not in addition to, any benefits to which Executive may otherwise be entitled under any Company severance plan, policy or program.

(f) Any damages caused by the termination of Executive's employment without Cause would be difficult to ascertain; therefore, the Severance Benefits for which Executive is eligible pursuant to Section 6.1(b) above in exchange for the Release is agreed to by the Parties as liquidated damages, to serve as full compensation, and not a penalty.

6.2 **Termination by the Company for Cause**.

(a) Subject to Section 6.2(c) below, the Company shall have the right to terminate Executive's employment with the Company at any time for Cause by giving notice as described in Section 7.1 of this Agreement.

(b) "***Cause***" for termination shall mean that the Company has determined in its sole discretion that Executive has engaged in any of the following: (i) any material breach of the terms of this Agreement by Executive, or the willful failure of Executive to diligently and properly perform Executive's material duties for the Company; (ii) Executive's misappropriation or unauthorized use of the Company's tangible or intangible property that causes or is likely to cause material harm to the Company or its reputation, or material breach of the Confidential Information Agreement or any other similar agreement regarding confidentiality, intellectual property rights, non-competition or non-solicitation; (iii) any material failure to comply with the Company Policies or any other policies and/or directives of the Board; (iv) Executive's use of illegal drugs or any illegal substance, or Executive's use of alcohol in any manner that materially interferes with the performance of Executive's duties under this Agreement; (v) any (A) dishonest or illegal action (including, without limitation, embezzlement) by Executive, or (B) other action, whether or not dishonest or illegal, by Executive, in either case which is materially detrimental to

the interest and well-being of the Company, including, without limitation, harm to its reputation; (vi) Executive's failure to fully disclose any material conflict of interest Executive may have with the Company in a transaction between the Company and any third party which is materially detrimental to the interest and well-being of the Company; (vii) any adverse action or omission by Executive which would be required to be disclosed pursuant to public securities laws or which would limit the ability of the Company or any entity affiliated with the Company to sell securities under any Federal or state law or which would disqualify the Company or any affiliated entity from any exemption otherwise available to it; or (viii) become prohibited by law or any order from any regulatory body or governmental body from being an employee or director of any company, firm or entity; *provided*, *however*, that prior to any termination of Executive for "Cause," if the grounds for such Cause are reasonably capable of cure by Executive, the Company shall provide Executive with written notice of the grounds for Cause and provide Executive with ten (10) business days in which to cure such Cause.

(c) In the event Executive's employment is terminated at any time for Cause, Executive will not receive Severance Benefits or any other severance compensation or benefits, except that, pursuant to the Company's standard payroll policies, the Company shall pay to Executive the Accrued Obligations.

6.3 **Resignation by Executive.**

(a) Executive may resign from Executive's employment with the Company at any time by giving notice as described in Section 7.1.

(b) In the event Executive resigns from Executive's employment with the Company for any reason (other than a resignation for Good Reason as described in Section 6.4 below), Executive will not receive Severance Benefits or any other severance compensation or benefits, except that, pursuant to the Company's standard payroll policies, the Company shall pay to Executive the Accrued Obligations.

6.4 **Resignation by Executive for Good Reason.**

(a) Provided Executive has not previously been notified of the Company's intention to terminate Executive's employment, Executive may resign from employment with the Company for Good Reason (as defined in Section 6.4(b) below).

(b) "***Good Reason***" for resignation shall mean the occurrence of any of the following without Executive's prior consent: (i) a material diminution in Executive's authority, duties or responsibilities; (ii) a material diminution in Executive's Base Salary; (iii) a requirement that Executive report to an employee other than the CFO; (iv) Executive's principal place of employment is relocated by more than fifty (50) miles from the Company's present location in Research Triangle Park, North Carolina; or (v) the Company materially breaches its obligations under this Agreement. In addition to any requirements set forth above, in order for any of the above events to constitute "Good Reason," Executive must (X) inform the Company of the existence of the event within sixty (60) days of the initial existence of the event, after which date the Company shall have no less than thirty (30) days to cure the event which otherwise would constitute "Good Reason" hereunder and (Y) Executive must terminate his

employment with the Company for such "Good Reason" no later than ninety (90) days after the initial existence of the event which prompted Executive's termination. Any actions taken by the Company to accommodate a disability of Executive or pursuant to the Family and Medical Leave Act shall not be a Good Reason for purposes of this Agreement.

(c) In the event Executive resigns from Executive's employment for Good Reason, and provided that such termination constitutes a Separation from Service, then subject to Executive's compliance with the obligations in Section 6.1(c) above, Executive shall be eligible to receive the same Severance Benefits as described in Section 6.1 and on the same terms and conditions set forth in Section 6.1(c) and Section 6.1(e) as if Executive had been terminated by the Company without Cause.

(d) Any damages caused by the termination of Executive's employment for Good Reason would be difficult to ascertain; therefore, the Severance Benefits for which Executive is eligible pursuant to Section 6.1(b) above in exchange for the Release is agreed to by the Parties as liquidated damages, to serve as full compensation, and not a penalty.

6.5 **Termination by Virtue of Death or Disability of Executive.**

(a) In the event of Executive's death while employed pursuant to this Agreement, all obligations of the Parties hereunder shall terminate immediately, and the Company shall, pursuant to the Company's standard payroll policies, pay to Executive's legal representatives all Accrued Obligations.

(b) Subject to applicable state and federal law, the Company shall at all times have the right, upon written notice to Executive, to terminate this Agreement based on Executive's Disability. Termination by the Company of Executive's employment based on "***Disability***" shall mean termination because a qualified medical doctor mutually acceptable to the Company and Executive or Executive's personal representative has certified in writing that: (A) Executive is unable, because of a medically determinable physical or mental disability, to perform the essential functions of Executive's job, with or without a reasonable accommodation, for more than one hundred and eighty (180) calendar days measured from the last full day of work; or (B) by reason of mental or physical disability, it is unlikely that Executive will be able, within one hundred and eighty (180) calendar days, to resume the essential functions of Executive's job, with or without a reasonable accommodation, and to otherwise discharge Executive's duties under this Agreement. This definition shall be interpreted and applied consistent with the Americans with Disabilities Act, the Family and Medical Leave Act, and other applicable law. In the event Executive's employment is terminated based on Executive's Disability, Executive will not receive Severance Benefits or any other severance compensation or benefit, except that, pursuant to the Company's standard payroll policies, the Company shall pay to Executive the Accrued Obligations.

6.6 **Change in Control Benefits.** In the event the Company (or any surviving or acquiring corporation) terminates Executive's employment without Cause or Executive resigns for Good Reason within twelve (12) months following the effective date of a Change in Control (as defined under the Liquidia Technologies, Inc. 2016 Equity Incentive Plan, as may be amended from time to time by the Company (the "***Plan***")), then Executive shall be entitled to the

Accrued Obligations and, provided that Executive complies with the obligations in Section 6.1(c) of this Agreement (including the requirement to provide an effective Release), Executive shall be eligible to receive the same Severance Benefits as described in Section 6.1(b) and on the same conditions as if Executive had been terminated by the Company without Cause; *provided, however,* that (a) the Severance Period shall be increased to nine (9) months; (b) the bonus set forth in Section 6.1(b)(ii) shall instead be payable at the Target Amount; and (c) in the event that Executive's outstanding equity as of the closing of the Change in Control is assumed or continued (in accordance with its terms) by the surviving entity in a Change in Control, then 100% of the unvested portion of such equity shall become vested.

6.7 **Cooperation With Company After Termination of Employment**. Following termination of Executive's employment for any reason and for a period of one (1) year thereafter, Executive agrees to cooperate (a) with the Company in (i) the defense of any legal matter involving any matter that arose during Executive's employment with the Company, and (ii) all matters relating to the winding up of Executive's pending work and the orderly transfer of any such pending work to such other employees as may be designated by the Company; and (b) with all government authorities on matters pertaining to any investigation, litigation or administrative proceeding pertaining to the Company. The Company will reimburse Executive for any reasonable travel and out of pocket expenses incurred by Executive in providing such cooperation. The Company will also pay Executive a per diem amount equal to Executive's Base Salary as of the date of termination divided by two hundred and thirty (230) for each day or partial day that Executive devotes to fulfilling his obligation to cooperate under this Section 6.7, unless Executive is then receiving continued payment of his Base Salary under 6.1(b)(ii), above. Following termination of Executive's employment for any reason, and in the event of a failure by Executive (following reasonable efforts by the Company to secure his voluntary cooperation) to resign from any position as officer or director of the Company, with such resignation to be effective no later than the date of Executive's termination date (or such other date as requested by the Board), the Company is hereby irrevocably authorized to appoint its then-current Chief Executive Officer to act in Executive's name and on his behalf to execute any documents and to do all things reasonably necessary to effect such resignation. Further, Executive shall not, at any time after termination of Executive's employment for any reason, represent himself as being an agent or representative of the Company, unless expressly authorized in a written agreement executed by an authorized officer of the Company.

6.8 **Application of Section 409A**.

(a) It is intended that all of the severance payments payable under this Agreement satisfy, to the greatest extent possible, the exemptions from the application of Section 409A of the Code and the regulations and other guidance thereunder and any state law of similar effect (collectively, "***Section 409A***") provided under Treasury Regulations Sections 1.409A-1(b)(4) and 1.409A-1(b)(9), and this Agreement will be construed in a manner that complies with Section 409A. If not so exempt, this Agreement (and any definitions hereunder) will be construed in a manner that complies with Section 409A, and incorporates by reference all required definitions and payment terms.

(b) The preceding provisions shall not be construed as a guarantee by the Company of any particular tax effect to Executive under this Agreement. The Company shall not

be liable to Executive for any payment made under this Agreement which is determined to result in an additional tax, penalty or interest under Section 409A, nor for reporting in good faith any payment as an amount includible in gross income under Section 409A.

(c) No severance payments will be made under this Agreement unless Executive's termination of employment constitutes a "separation from service" (as defined under Treasury Regulation Section 1.409A-1(h)).

(d) For purposes of Section 409A (including, without limitation, for purposes of Treasury Regulations Section 1.409A-2(b)(2)(iii)), Executive's right to receive any installment payments under this Agreement (whether severance payments or otherwise) shall be treated as a right to receive a series of separate payments and, accordingly, each installment payment hereunder shall at all times be considered a separate and distinct payment.

(e) If the Company determines that the severance benefits provided under this Agreement constitutes "deferred compensation" under Section 409A and if Executive is a "specified employee" of the Company, as such term is defined in Section 409A(a)(2)(B)(i) of the Code at the time of Executive's Separation from Service, then, solely to the extent necessary to avoid the incurrence of the adverse personal tax consequences under Section 409A, the timing of the Severance Benefits will be delayed as follows: on the earlier to occur of (i) the date that is six months and one day after Executive's Separation from Service, and (ii) the date of Executive's death (such earlier date, the "***Delayed Initial Payment Date***"), the Company will (1) pay to Executive a lump sum amount equal to the sum of the Severance Benefits that Executive would otherwise have received through the Delayed Initial Payment Date if the commencement of the payment of the Severance Benefits had not been delayed pursuant to this Section 6.8, and (2) commence paying the balance of the Severance Benefits in accordance with the applicable payment schedule set forth in Section 6.1. No interest shall be due on any amounts deferred pursuant to this Section 6.8.

6.9 **Parachute Payments**.

(a) Notwithstanding any other provisions of this Agreement to the contrary, in the event that it shall be determined that any payment or distribution to or for the benefit of Executive, whether paid or payable or distributed or distributable pursuant to the terms of this Agreement or otherwise (a "***Payment***") would be nondeductible by the Company for Federal income tax purposes because of Section 280G of the Code, the Company shall reduce the aggregate present value of the Payments under this Agreement to the Reduced Amount (as defined below) if, and only if, reducing the Payments under this Agreement will provide Executive with a greater net after-tax amount than would be the case if no such reduction was made, taking into account the applicable federal, state, local and foreign income, employment and other taxes, including the excise tax imposed by Section 4999 of the Code. If a reduction in the Payments is necessary, such reduction shall occur in the following order: (1) reduction of cash payments; (2) cancellation of accelerated vesting of equity awards other than stock options; (3) cancellation of accelerated vesting of stock options; and (4) reduction of other benefits paid to Executive. Within any such category of payments and benefits (that is, clauses (1), (2), (3) or (4) of this Section 6.9(a)), a reduction shall occur first with respect to amounts that are not "deferred compensation" within the meaning of Section 409A of the Code and then with respect

to amounts that are. The "***Reduced Amount***" shall be an amount expressed in present value that maximizes the aggregate present value of Payments under this Agreement without causing any Payment to be nondeductible by the Company because of Section 280G of the Code.

(b) All determinations to be made under this Section 6.9 shall be made at the Company's expense by a firm of certified public accountants of national standing selected by the Company (the "***Accounting Firm***") which may be the firm regularly auditing the financial statements of the Company. The Company and Executive shall furnish to the Accounting Firm such information and documents as the Accounting Firm may reasonably require in order to make a determination under this Section. To the extent requested by Executive, the Company shall cooperate with Executive in good faith in valuing, and the Accounting Firm shall value, services to be provided by Executive (including refraining from performing services pursuant to a covenant not to compete) before, on or after the date of the transaction which cause the application of Section 280G of the Code such that payments in respect of such services may be considered to be "reasonable compensation" within the meaning of the regulations under Section 280G of the Code. In making its determinations hereunder, the Accounting Firm shall apply reasonable, good faith interpretations regarding the applicability of Section 280G and Section 4999, along with any other applicable portions of the Code or other tax laws. The Accounting Firm shall make all determinations required to be made under this Section and shall provide detailed supporting calculations to the Company and Executive within 30 days after the Termination Date or such earlier time as is requested by the Company, and provide an opinion to Executive that he or she has substantial authority not to report any excise tax on his or her Federal income tax return with respect to any Payments. Any such determination by the Accounting Firm shall be binding upon the Company and Executive. Subject to Sections 6.1(c) and 6.9, within five business days thereafter, the Company shall pay to or distribute to or for the benefit of Executive such amounts as are then due to Executive under this Agreement.

(c) As a result of the uncertainty in the application of Section 280G of the Code at the time of the initial determination by the Accounting Firm or the Company hereunder, it is possible that Payments, as the case may be, will have been made by the Company which should not have been made ("***Overpayment***") or that additional Payments, as the case may be, which will not have been made by the Company could have been made ("***Underpayment***"), in each case, consistent with the calculations required to be made hereunder. In the event that the Accounting Firm, based upon the assertion of a deficiency by the Internal Revenue Service against Executive which the Accounting Firm believes has a high probability of success determines that an Overpayment has been made, promptly on notice and demand Executive shall repay to the Company any such Overpayment paid or distributed by the Company to or for the benefit of Executive together with interest at the applicable Federal rate provided for in Section 7872(f)(2)(A) of the Code; provided, however, that no such amount shall be payable by Executive to the Company if and to the extent such payment would not either reduce the amount on which Executive is subject to tax under Section 1 and Section 4999 of the Code or generate a refund of such taxes. In the event that the Accounting Firm, based upon controlling precedent or other substantial authority, determines that an Underpayment has occurred, any such Underpayment shall be promptly paid by the Company to or for the benefit of Executive together with interest at the applicable federal rate provided for in Section 7872(f)(2)(A) of the Code.

7. GENERAL PROVISIONS.

7.1 **Notices**. Any notices required hereunder to be in writing shall be deemed effectively given: (a) upon personal delivery to the Party to be notified, (b) when sent by electronic mail or confirmed facsimile if sent during normal business hours of the recipient, and if not, then on the next business day, (c) five (5) days after having been sent by registered or certified mail, return receipt requested, postage prepaid, or (d) one (1) day after deposit with a nationally recognized overnight courier, specifying next day delivery, with written verification of receipt. All communications shall be sent to the Company at its primary office location and to Executive at Executive's address as listed on the Company payroll, or at such other address as the Company or Executive may designate by ten (10) days advance written notice to the other.

7.2 **Severability**. Whenever possible, each provision of this Agreement will be interpreted in such manner as to be effective and valid under applicable law, but if any provision of this Agreement is held to be invalid, illegal or unenforceable in any respect under any applicable law or rule in any jurisdiction, such invalidity, illegality or unenforceability will not affect any other provision or any other jurisdiction, but this Agreement will be reformed, construed and enforced in such jurisdiction as if such invalid, illegal or unenforceable provisions had never been contained herein.

7.3 **Survival.** Provisions of this Agreement which by their terms must survive the termination of this Agreement in order to effectuate the intent of the Parties will survive any such termination, whether by expiration of the term, termination of Executive's employment, or otherwise, for such period as may be appropriate under the circumstances.

7.4 **Waiver**. If either Party should waive any breach of any provisions of this Agreement, it shall not thereby be deemed to have waived any preceding or succeeding breach of the same or any other provision of this Agreement.

7.5 **Complete Agreement**. This Agreement constitutes the entire agreement between Executive and the Company with regard to the subject matter hereof. This Agreement is the complete, final, and exclusive embodiment of their agreement with regard to this subject matter and supersedes any prior oral discussions or written communications and agreements, including the Prior Agreement. This Agreement is entered into without reliance on any promise or representation other than those expressly contained herein, and it cannot be modified or amended except in writing signed by Executive and an authorized officer of the Company, subject to the approval of the Board, its compensation committee or (if necessary) the stockholders of the Company. The Parties have entered into a separate Confidential Information Agreement and have entered or may enter into separate agreements related to equity. These separate agreements govern other aspects of the relationship between the Parties, have or may have provisions that survive termination of Executive's employment under this Agreement, may be amended or superseded by the Parties without regard to this Agreement and are enforceable according to their terms without regard to the enforcement provision of this Agreement.

7.6 **Headings**. The headings of the sections hereof are inserted for convenience only and shall not be deemed to constitute a part hereof nor to affect the meaning thereof.

7.7 **Successors and Assigns**. The Company shall assign this Agreement and its rights and obligations hereunder in whole, but not in part, to any company or other entity with or into which the Company may hereafter merge or consolidate or to which the Company may transfer all or substantially all of its assets, if in any such case said Company or other entity shall by operation of law or expressly in writing assume all obligations of the Company hereunder as fully as if it had been originally made a Party, but may not otherwise assign this Agreement or its rights and obligations hereunder. Executive may not assign or transfer this Agreement or any rights or obligations hereunder, other than to Executive's estate upon death.

7.8 **Withholding**. All amounts payable hereunder shall be subject to applicable tax withholding.

7.9 **Choice of Law**. This Agreement in all respects shall be governed by and interpreted in accordance with the laws of the State of North Carolina, both procedural and substantive, without regard to conflicts of law, except to the extent that federal laws and regulations preempt otherwise applicable law.

7.10 **Mandatory Mediation.** Prior to and as a condition of either Party's filing suit in state or federal court, the Parties shall engage in a mediated settlement conference in accordance with the North Carolina Superior Court Rules Implementing Statewide Mediation. The Parties shall mediate in good faith until settlement is reached or an impasse is declared by the mediator.

7.11 **Jurisdiction.** Each Party hereby irrevocably submits to the exclusive jurisdiction of the United States District Court located in Wake County, North Carolina, or any state court located within such state, in respect of any claim relating to this Agreement or Executive's employment with the Company, and hereby waives, and agrees not to assert, as a defense in any action, suit or proceeding in which any such claim is made that said Party is not subject thereto or that such action, suit or proceeding may not be brought or is not maintainable in such courts or that the venue thereof may not be appropriate or that this Agreement may not be enforced in or by such courts. Any appellate proceedings shall take place in the appropriate courts having appellate jurisdiction over the courts set forth in this Section.

7.12 **Counterparts**. This Agreement may be executed in separate counterparts, any one of which need not contain signatures of more than one Party, but all of which taken together will constitute one and the same Agreement. Facsimile signatures and signatures transmitted by PDF shall be equivalent to original signatures.

[SIGNATURES TO FOLLOW ON NEXT PAGE]

IN WITNESS WHEREOF, the Parties have executed this Agreement on the day and year first written above.

LIQUIDIA TECHNOLOGIES, INC.

By: _____
Name: Neal Fowler
Title: Chief Executive Officer

Executive:

_____
Tim Albury

Exhibit A

CONFIDENTIALITY, INVENTIONS AND NON-COMPETITION AGREEMENT

LIQUIDIA TECHNOLOGIES

CONFIDENTIALITY, INVENTIONS AND NON-COMPETITION AGREEMENT

THIS CONFIDENTIALITY, INVENTIONS AND NON-COMPETITION AGREEMENT (this "**Agreement**") is effective as of DATE (the "**Effective Date**") by and between NAME (hereinafter "**Employee**") and Liquidia Technologies, Inc. (the "**Company**").

STATEMENT OF PURPOSE

The Employee desires to be employed by the Company, and the Company is willing to employ Employee strictly subject to Employee's agreement to be bound by the terms of this Agreement.

IN CONSIDERATION of the Company's employment of the Employee and the compensation and other benefits that the Company may provide to Employee as an employee, the Employee, intending to be legally bound, agrees to the following:

1. For purposes of this Agreement, "**Proprietary Information**" is information (whether in written or other form or whether or not patentable or protectable by copyright, trade secret, trade dress, trademark, or the like) that: (i) has been created, invented, discovered, or developed by the Employee in

connection with the Employee's employment by the Company; (ii) is non-public and has been disclosed, furnished, or communicated to the Employee in connection with the Employee's employment by the Company; or (iii) is non-public and the unauthorized disclosure of which could be detrimental to the interests of the Company. Proprietary Information includes, but is not limited to, all inventions, works of authorship, trade secrets, know how, proprietary or confidential information, including, but not limited to, research, product or business plans, products, services, projects, proposals, processes, formulas, ideas, data, compositions, technology, computer programs and related source code and object code, developments, designs, drawings, marketing information and plans, customer lists, budgets, projections, partners, cost analyses, acquisition candidates, relevant parts of analysis, reviews, compilations, studies or other records and documents, and other information owned by the Company, disclosed to the Employee, or to which the Employee has been provided access or gains access, either directly or indirectly, by any means. Proprietary Information does not include information that is or becomes generally available to the public other than as a result of a disclosure by the Employee or by any other person or entity that is under a confidentiality obligation to Company with respect to such information.

2. Nondisclosure of Proprietary Information.

2.1 The Employee acknowledges and agrees that Proprietary Information is the sole property of the Company or its designee and that the Employee shall have no right,

title, license, or interest in or to any Proprietary Information. During and after the Employee's employment by the Company, the Employee shall keep in the strictest confidence and trust all Proprietary Information and shall not directly or indirectly disclose, distribute, copy, supply, or use, in whole or in part, any Proprietary Information except as approved in advance in writing by the Company. Notwithstanding the foregoing, it is understood that, at all such times, the Employee is free (i) to use information which was known to the Employee prior to employment with the Company or which is generally known in the trade or industry through no breach of this Agreement or other act or omission by the Employee, (ii) to discuss the terms of the Employee's employment, wages and working conditions to the extent expressly protected by applicable law, (iii) to report possible violations of federal securities laws to the appropriate government enforcing agency and make such other disclosures that are expressly protected under such laws, (iv) to respond to inquiries from, or otherwise cooperate with, any governmental or regulatory investigation, or (v) to testify truthfully as compelled by lawful process or subpoena related to such testimony after the Employee has provided advance written notice of said subpoena to the Company's Chief Executive Officer and reasonably cooperates with the Company in any process to oppose said subpoena.

2.2 The Employee shall not use or disclose to the Company, or assist in the disclosure to the Company of, proprietary or confidential information belonging to any third parties, including any prior employer(s).

2.3 The Employee acknowledges and agrees that the Company has received and in the future may receive from third parties, including, but not limited to, potential collaborating partners or customers of the Company, confidential or proprietary information ("**Third Party Information**") subject to a duty on the Company's part to maintain the confidentiality of such information and to use it only for certain limited purposes. During the term of the Employee's employment with the Company and thereafter, the Employee will hold Third Party Information in the strictest confidence and will not disclose to anyone (other than Company personnel or the Company's designee who need to know such information in connection with their work for the Company or such third party) or use Third Party Information, except in connection with the Employee's work for the Company or such third party, unless expressly approved in advance in writing by the Company. The Employee further agrees to be bound by and subject to any confidentiality or nondisclosure agreements or clauses with respect to such Third Party Information between the Company and any such third party.

2.4 Pursuant to the Defend Trade Secrets Act of 2016, the Employee acknowledges that the Employee will not have criminal or civil liability under any federal or state trade secret law for the disclosure of a trade secret that (i) is made (a) in confidence to a federal, state, or local government official, either directly or indirectly, or to an attorney and (b) solely for the purpose of reporting or investigating a suspected violation of law; or (ii) is made in a complaint or other document filed in a lawsuit or other proceeding, if such filing is made under seal. In addition, if the Employee files a lawsuit for retaliation by the Company for reporting a suspected violation of law, the Employee may

disclose the trade secret to the Employee's attorney and may use the trade secret information in the court proceeding, if the Employee (x) files any document containing the trade secret under seal and (y) does not disclose the trade secret, except pursuant to court order.

3. Upon the earliest to occur of (i) termination of the Employee's employment by the Company for any reason, (ii) termination of the Employee's access to Proprietary Information, or (iii) the request of the Company, the Employee shall return to the Company (and will not keep in Employee's possession or control or deliver to anyone else) all materials belonging to the Company, whether kept at the Employee's business office, personal residence or otherwise, including, but not limited to, all materials containing or relating to any Proprietary Information in any written, tangible, electronic or other form that the Employee may have in Employee's possession or control, and any and all mobile telephones, personal digital assistants, pagers, computer and other electronic devices and credit cards. After returning the materials and equipment described in the preceding sentence to the Company, the Employee shall not retain any copies of any such materials.

4. Ownership of Proprietary Information.

4.1 All Proprietary Information and other information, which by its nature is proprietary to the Company, relating to the Company's business or the Company's anticipated business, or based on, derived from or relating to any Proprietary Information (collectively, Proprietary Information and "**Work Product**") shall be the sole property of the Company. The Employee agrees that all Proprietary Information and Work Product created, conceived, reduced to practice, made or otherwise developed by the Employee, solely or jointly, during and in any way related to the Employee's employment, shall be the exclusive property of the Company and/or its designees or assignees, and shall be deemed "works made for hire," as that term is defined in Section 101 of the U.S. Copyright Act of 1976, as amended.

4.2 If, for any reason, any Proprietary Information and Work Product does not qualify as works made for hire, the Employee shall assign and does hereby irrevocably, unconditionally, and without encumbrance of any kind assign to the Company, and forever waives and agrees never to assert, all right, title, and interest, including without limitation, all patent, trademark, copyright, trade secret, and other intellectual property (collectively, "**Intellectual**

Property") rights, in and to such Proprietary Information and Work Product. The Employee shall assist the Company, or its designee, in every proper way to secure the Company's rights in the Proprietary Information and Work Product and any Intellectual Property rights relating thereto in any and all countries, including (i) the disclosure to the Company of all pertinent information and data with respect thereto, (ii) the execution of all applications, specifications, oaths, assignments and all other instruments which the Company shall deem necessary in order to apply for and obtain such rights and in order to assign and convey to the Company or its designee the sole and exclusive right, title and interest in and to the Proprietary Information and Work Product, and (iii) the defense of any claim, demand, action, litigation, suit, or other proceeding,

including, but not limited to, interference, cancellation, opposition, or other proceedings in respect of such applications or any registrations or patents issuing therefrom. The Employee shall continue such assistance after the termination of the Employee's employment by the Company.

4.3 During the Employee's employment by the Company, the Employee shall report promptly to the Company all Proprietary Information and Work Product created, conceived, reduced to practice, or otherwise developed by the Employee, solely or jointly.

4.4 If the Company is unable because of the Employee's mental or physical incapacity or for any other reason to secure the Employee's signature to apply for or to secure protection of any Proprietary Information and Work Product, then the Employee hereby designates and appoints the Company and its duly authorized officers and agents as its agents and attorneys-in-fact to execute and file any certificates, applications or documents and to do all of their lawful acts necessary to perfect and protect the Company's rights in the Proprietary Information and Work Product. The Employee expressly acknowledges that the foregoing power of attorney is coupled with an interest and is therefore irrevocable and shall survive the Employee's death or incompetency and the termination of the Employee's employment or engagement by the Company.

4.5 The Employee hereby represents and warrants that the Employee has fully disclosed to the Company on Schedule A attached hereto any idea, invention, discovery or process relating to the Company's business which, prior to the Employee's employment with the Company, the Employee conceived, reduced to practice, or developed, individually or jointly, and is to be excluded from the scope of this Agreement.

4.6 Notwithstanding anything in this Agreement to the contrary, the obligation of the Employee to assign or offer to assign the Employee's rights in an invention to the Company shall not extend or apply to an invention that the undersigned developed (i) entirely on the Employee's own time; (ii) without using Company equipment, supplies, facilities, or other resources, Proprietary Information or trade secret information unless such invention (a) relates to the Company's business or actual or demonstrably anticipated research or development, or (b) results from any work performed by the Employee for the Company. The Employee shall bear the burden of proof in establishing that the Employee's invention qualifies for exclusion under this Section 4.6.

5. Covenant Not To Compete.

5.1 For purposes of Part 5 of this Agreement, including each of its subparts, the following terms shall have the following meanings:

a. "**Competing Business**" shall mean any corporation, partnership, person, or other entity that is researching, developing, manufacturing, marketing, distributing, or selling any product, service, or technology that is competitive with any part of the Company's Business.

b. The "**Company's Business**" shall mean the development, manufacture, marketing, distribution, or sale of, including research directed to, any product, service, or technology that the Company is developing, manufacturing, marketing, distributing, or selling or to which the Company directed research at any time during Employee's employment with the Company. As of the date of this Agreement, the Company's Business includes, but is not limited to, research directed to and the development, manufacture, marketing, distribution, and/or sale of: (i) isolated size and/or shape controlled pharmaceutical or therapeutic particles fabricated from a mold, including products of or containing the isolated size and/or shape controlled pharmaceutical or therapeutic particles fabricated from a mold; (ii) size and/or shape controllable pharmaceutical or therapeutic particles molded using a polymer or low surface energy mold; (iii) film based products of or containing arrays of size and/or shape controlled structures molded from a low surface energy mold; (iv) isolated nano or micro size and/or shape controlled particles fabricated from a mold, including products of or containing the isolated size and/or shape controlled particles fabricated from a mold; (v) nano or micro size and/or shape controllable particles molded using a polymer or low surface energy mold; or (vi) patterned drum fabrication and mold for manufacturing the products of (i)-(v) above. The Employee understands that during the Employee's employment with the Company, the Company's Business may expand or change, and the Employee agrees that any such expansions or changes shall expand or contract the definition of the Company's Business and the Employee's obligations under this Agreement accordingly.

c. "**Territory**" shall mean the following severable geographic areas: (i) the world, (ii) any country in which the Company or a Competing Business is engaged in business, (iii) any country in which the Company is engaged in business, (iv) the United States, Europe, and Asia, (v) the United States, (vi) any state, including the District of Columbia, in which the Company or a Competing Business is engaged in business, (vii) any state, including the District of Columbia, in which the Company is engaged in business, (viii) North Carolina, (ix) a one hundred mile radius of the Employee's principal place of employment or work for the Company, or (x) a one hundred mile radius of the Company's corporate headquarters.

5.2 It is recognized and understood by the Employee that, through the Employee's association with the Company, the Employee shall: (i) have access to trade secrets and confidential information of the Company, including, but not limited to, valuable information about its intellectual property, business operations and methods, and the persons with which it does business in various locations throughout the world, that is not generally known to or readily ascertainable by the Company's competitors, (ii) develop relationships with the Company's customers and others with which the Company does business, and these relationships are among the Company's most important assets, (iii) receive specialized knowledge of and specialized training in the Company's Business, and (iv) gain such knowledge of the Company's Business that, during the course of the Employee's employment with the Company and for a period of one year following the termination thereof, the Employee could not perform services for a Competing Business

without inevitably disclosing the Company's trade secrets and Proprietary Information to that Competing Business.

5.3 While employed by the Company, the Employee will not, without the express written consent of an authorized representative of the Company: (i) perform services (as an employee, independent contractor, officer, director, or otherwise) for any Competing Business, (ii) engage in any activities (or assist others to engage in any activities) that compete with the Company's Business, (iii) own or beneficially own an equity interest in a Competing Business, (iv) request, induce, or solicit (or assist others to request, induce, or solicit) any existing or prospective customers, suppliers, business partners, or contractors of the Company to curtail or cancel their business with the Company or to do business within the scope of the Company's Business with a Competing Business, or (v) request, induce, or solicit (or assist others to request, induce, or solicit) any employee of the Company to terminate his or her employment with the Company.

5.4 For a period of one year following the termination of the Employee's employment with the Company, the Employee will not, without the express written consent of an authorized representative of the Company: (i) perform services (as an employee, independent contractor, officer, director, or otherwise), within the Territory for any Competing Business, that are the same or substantially similar to any services that the Employee performed for the Company or that otherwise utilize skills, knowledge, and/or business contacts and/or relationships that the Employee developed while providing services to the Company, (ii) engage in any activities (or assist others to engage in any activities) within the Territory that compete with the Company's Business, (iii) own or beneficially own an equity interest in a Competing Business, (iv) request, induce, or solicit (or assist others to request, induce, or solicit) any existing customer or any prospective customers to whom the Company has made a written proposal ("Prospective Customers"), suppliers, business partners, or contractors of the Company, during the last year of the Employee's employment with the Company, to curtail or cancel their business with the Company or to do business within the scope of the Company's Business with a Competing Business, (v) request, induce, or solicit (or assist others to request, induce, or solicit) any existing customer or Prospective Customers, suppliers, business partners, or contractors of the Company with which the Employee worked or had business contact during the last year of the Employee's employment with the Company to curtail or cancel their business with the Company or to do business within the scope of the Company's Business with a Competing Business, or (vi) request, induce, or solicit (or assist others to request, induce, or solicit) any employee of the Company to terminate his or her employment with the Company. Where a Competing Business is a large enterprise with separately operated business units, the restrictions in Section 5.4(i) shall not apply to any such business unit that has no involvement in the research, development, manufacture, marketing, distribution, or sale of a product, service, or technology that is competitive with any part of the Company's Business; *provided*, *however*, that this sentence does not apply to any employees in a scientific role or whose role involves the research, development or maintenance of the Company's trade secrets. These obligations will continue for the specified period regardless of whether the termination of the Employee's

employment was voluntary or involuntary or with or without cause, and the specified period shall be tolled and shall not run during any time in which the Employee fails to abide by this obligations.

5.5 The Employee shall not at any time following the termination of the Employee's employment with the Company use the name or trading style of the Company in any country, or use in any country any name or trading style which is the same as or similar to any of the trade or service marks of the Company or any brand name or proposed brand name of any of the Company's products or proposed products, or represent himself or herself as carrying on or continuing or being connected with the Company or its business for any purpose whatsoever unless otherwise agreed by the Company in writing.

5.6 While employed by the Company, the Employee shall disclose to the audit committee of the Company the Employee's interest in respect of any contract or arrangement in which the Employee has any personal material interest, directly or indirectly, or any conflicts of interest (including the conflict of interest that may arise from the Employee's directorship(s) or executive position or personal investments in any corporation(s)) that may involve the Employee. Upon such disclosure, the Employee shall abstain from voting in respect of any such contract, arrangement, proposal, transaction, or matter in which the conflict of interest arises, unless and until the audit committee has determined that no such conflict of interest exists.

5.7 As an exception to the restrictions set forth in Parts 5.3 and 5.4 herein, the Employee may own passive investments in a Competing Businesses, (including, but not limited to, indirect investments through mutual funds), provided that the securities of the Competing Business are publicly traded and the Employee does not own or control more than two percent of the outstanding voting rights or equity of the Competing Business.

5.8 In the event that a court determines that the length of time, the geographic area, or the activities prohibited under this Agreement are too restrictive to be enforceable, the Court may reduce the scope of the restriction to the extent necessary to make the restriction enforceable.

5.9 The market for the Company's services and the Company's Business is highly specialized and highly competitive such that other companies and business entities compete with the Company in various locations throughout the world. The provisions set forth in this Agreement: (i) are reasonably necessary to protect the Company's legitimate business interests, (ii) are reasonable as to the time, territory, and scope of activities that are restricted, (iii) do not interfere with the Employee's ability to earn a comparable living or secure employment in the field of the Employee's choice, (iv) do not interfere and are not inconsistent with public policy or the public interest, and (v) are described with sufficient accuracy and definiteness to enable the Employee to understand the scope of the restrictions on the Employee.

5.10 Because of the unique nature of the Proprietary Information, the Employee understands and agrees that the Company will suffer irreparable harm in the event that the Employee fails to comply with any of the Employee's obligations under this Agreement and that monetary damages will be inadequate to compensate the Company for such breach. Accordingly, the Employee agrees that the Company will, in addition to any other remedies available to it at law or in equity, be entitled to injunctive relief to enforce the terms of this Agreement.

6. The Employee hereby authorizes the Company to provide a copy of this Agreement, including any exhibits hereto, to any and all of the Employee's future employers and to notify any and all such future employers that the Company intends to exercise its legal rights arising out of or in connection with this Agreement and/or any breach or any inducement of a breach hereof.

7. The Employee agrees that, during the term of the Employee's employment with the Company, the Employee will not: (i) engage in any other employment, occupation, consulting, or other business activity that conflicts with the Employee's obligations to the Company, or (ii) engage in any

other activities that conflict with the Employee's obligations to the Company.

8. Debarment Certification

8.1 The Employee represents and promises that Employee:

(a) is not presently, and during the Employee's employment will not be, debarred or convicted for a crime for which Employee can be debarred under the Generic Drug Enforcement Act of 1992 (21USC335a)(the "**Act**"); and

(b) is not presently, and during the Employee's employment will not be, indicted or otherwise criminally or civilly charged by a government entity (Federal or State) with commission of the kinds of conduct for which Employee can be debarred under the Act; and

(c) will not employ or otherwise engage any individual who has been (i) debarred or (ii) convicted of a crime for which a person can be debarred under the Act, in any capacity in connection with the activities of developing or reporting data which may become part of an application for approval of a drug or biologic.

8.2 The Employee promises that, during the Employee's employment with the Company, the Employee will promptly notify the Company upon learning of or having a belief that the Employee cannot satisfy the obligations of Section 8.1 above.

9. The Employee agrees that this Agreement shall be enforced, construed and interpreted under the law of the state of North Carolina, without regard to the conflicts of laws principles thereof. The state and federal courts in North Carolina shall be the exclusive venues for the adjudication of all disputes arising out of this Agreement, and the Employee consents to the exercise of personal jurisdiction over the Employee in any such adjudication and hereby waives any and all objections and defenses to the exercise of such personal jurisdiction.

10. The Employee agrees that: (i) the Employee's employment relationship with the Company is "at-will," which means that either the Employee or the Company can terminate the relationship at any time for any reason or no reason, with or without notice, unless the Employee and the Company are parties to a contract that expressly provides a fixed term of employment, (ii) the Employee's employment relationship with the Company is contingent upon the Employee's execution of this Agreement, which is a material inducement to the Company to offer the employment relationship to the Employee and to provide Proprietary Information to the Employee, and (iii) this Agreement shall survive any termination for any reason whatsoever of the Employee's employment relationship with the Company.

11. The Employee agrees that the Company's failure to insist upon strict compliance with any provision of this Agreement shall not be deemed a waiver of such provision or of any other provision in the Agreement. The provisions of this Agreement shall be enforceable, notwithstanding the existence of any breach of this Agreement by the Company or of any claim by the Employee against the Company, whether predicated on this Agreement or otherwise.

12. This Agreement contains the entire understanding between the parties with respect to the subject matter hereof and supersedes all prior or contemporary agreements or understandings, whether written or oral, with respect thereto, provided, however, prior to the execution of this Agreement, if Company and the Employee were parties to any agreement regarding the subject matter hereof, that agreement will be superseded by this Agreement prospectively only. This Agreement may not be modified or amended except by an agreement in writing signed by both parties.

13. The Employee agrees that this Agreement is assignable by the Company at the Company's discretion and the Employee authorizes the Company's successors and assigns to enforce this Agreement for their respective benefits.

14. The invalidity or unenforceability of any provision of this Agreement shall not affect the validity or enforceability of any other provision of this Agreement and each other provision of this Agreement shall be severable and enforceable to the extent permitted by law.

15. The Employee agrees that a breach of any provision(s) of this Agreement will toll the running of the limitation period with respect to such provision(s) for as long as such breach occurs.

16. The Employee agrees and acknowledges that the Company's agreement to employ the Employee, in and of itself, is sufficient and adequate consideration for the Employee's promises and obligations hereunder, and that the compensation and other benefits that the Company provides the Employee during the course of the Employee's employment are, independently and collectively, sufficient and adequate consideration for the Employee's promises and obligations hereunder.

IN WITNESS WHEREOF, and intending to be legally bound hereby, the Employee has executed this Agreement to be effective as of the date set forth above.

LIQUIDIA TECHNOLOGIES, INC.

By: _____(s)
Name:
Title:

_____(s)
NAME

SCHEDULE A

The following items are inventions, ideas, computer software programs or other equipment or technology not covered by Section 4 of this Agreement, which the undersigned conceived of or developed, wholly or in part, prior to the Employee's employment or engagement with the Company and shall be excluded from the scope of this Agreement.

If the undersigned has no such items to disclose, write "NONE" on this line: .

Description of Items: (if applicable)

Title on Document	Date on Document	Name of Witness on Document

LIQUIDIA TECHNOLOGIES, INC.

By: _____ NAME

Dated: _____ Dated: _____

Exhibit 10.30

LIQUIDIA TECHNOLOGIES, INC. ANNUAL CASH BONUS PLAN

1. Background and Purpose.

1.1 Purpose. The purpose of the Liquidia Technologies, Inc. Annual Cash Bonus Plan (the "**Plan**") is to motivate and reward eligible employees by making a portion of their cash compensation dependent on the achievement of certain corporate, business unit and individual performance goals.

1.2 Effective Date. The Plan is effective as of , 2018 (the "**Effective Date**") and shall remain in effect until it has been terminated pursuant to **Section 9.6**.

2. Definitions. The following terms shall have the following meanings:

2.1 "**Affiliate**" means any corporation or other entity controlled by the Company.

2.2 "**Award**" means an award granted pursuant to the Plan, which shall be earned contingent on the employment requirement set forth in **Section 6.3** and the attainment of the Performance Goals with respect to a Performance Period, as determined by the Committee pursuant to **Section 6.1**.

2.3 "**Base Salary**" means the Participant's annualized rate of base salary on the last day of the Performance Period before (i) deductions for taxes or benefits and (ii) deferrals of compensation pursuant to any Company or Affiliate-sponsored plans.

2.4 "**Board**" means the Board of Directors of the Company, as constituted from time to time.

2.5 "**Cause**" means, with respect to a Participant, except as otherwise provided in the Participant's employment agreement, (i) the Participant's plea of guilty or nolo contendere to, or conviction of, (A) a felony (or its equivalent in a non-United States jurisdiction) or (B) other conduct of a criminal nature that has or is likely to have a material adverse effect on the reputation or standing in the community of the Company, any of its Affiliates or a successor to the Company or an Affiliate, as determined by the Committee in its sole discretion, or that legally prohibits the Participant from working for the Company, a successor to the Company or an Affiliate; (ii) a breach by the Participant of a regulatory rule that adversely affects the Participant's ability to perform the Participant's employment duties to the Company, any of its Subsidiaries or a successor to the Company or an Affiliate, in any material respect; or (iii) the Participant's failure, in any material respect, to (A) perform the Participant's employment duties, (B) comply with the applicable policies of the Company, or of its Affiliates, or a successor to the Company or an Affiliate, or (C) comply with covenants contained in any contract to which the Participant is a party; provided, however, that the Participant shall be provided

---

a written notice describing in reasonable detail the facts which are considered to give rise to a breach described in this clause (iii) and the Participant shall have 30 days following receipt of such written notice (the "**Cure Period**") during which the Participant may remedy the condition and, if so remedied, no termination for Cause shall exist.

2.6 "**Change in Control**" means the first of the following to occur: (i) a Change in Ownership of the Company, (ii) a Change in Effective Control of the Company, or (iii) a Change in the Ownership of Assets of the Company, as described herein and construed in accordance with Section 409A of the Code.

(a) A "Change in Ownership of the Company" shall occur on the date that any one Person acquires, or Persons Acting as a Group acquire, ownership of the capital stock of the Company that, together with the stock held by such Person or Group, constitutes more than 50% of the total fair market value or total voting power of the capital stock of the Company. However, if any one Person is, or Persons Acting as a Group are, considered to own more than 50%, on a fully diluted basis, of the total fair market value or total voting power of the capital stock of the Company, the acquisition of additional stock by the same Person or Persons Acting as a Group is not considered to cause a Change in Ownership of the Company or to cause a Change in Effective Control of the Company (as described below). An increase in the percentage of capital stock owned by any one Person, or Persons Acting as a Group, as a result of a transaction in which the Company acquires its stock in exchange for property will be treated as an acquisition of stock.

(b) A "Change in Effective Control of the Company" shall occur on the date either (A) a majority of members of the Board is replaced during any 12-month period by directors whose appointment or election is not endorsed by a majority of the members of the Board before the date of the appointment or election, or (B) any one Person, or Persons Acting as a Group, acquires (or has acquired during the 12-month period ending on the date of the most recent acquisition by such Person or Persons) ownership of stock of the Company possessing 50% or more of the total voting power of the stock of the Company.

(c) A "Change in the Ownership of Assets of the Company" shall occur on the date that any one Person acquires, or Persons Acting as a Group acquire (or has or have acquired during the 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 before such acquisition or acquisitions. For this purpose, 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.

The following rules of construction apply in interpreting the definition of Change in Control:

(i) A "**Person**" means any individual, entity or group within the meaning of Section 13(d)(3) or 14(d)(2) of the Securities Exchange Act of 1934, as amended, other than employee benefit plans sponsored or maintained by the Company and by entities controlled by the Company or an underwriter, initial purchaser or placement agent temporarily holding the capital stock of the Company pursuant to a registered public offering.

(ii) Persons will be considered to be "**Persons Acting as a Group (or 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 corporation. If a Person owns stock in both corporations that enter into a merger, consolidation, purchase or acquisition of stock, or similar transaction, such shareholder is considered to be acting as a Group with other shareholders only with respect to the ownership in that corporation before the transaction giving rise to the change and not with respect to the ownership interest in the other corporation. Persons will not be considered to be acting as a Group solely because they purchase assets of the same corporation at the same time or purchase or own stock of the same corporation at the same time, or as a result of the same public offering.

(iii) A Change in Control shall not include a transfer to a related person as described in Section 409A of the Code or a public offering of capital stock of the Company.

(iv) For purposes of the definition of Change in Control, Section 318(a) of the Code applies to determine stock ownership. Stock underlying a vested option is considered owned by the individual who holds the vested option (and the stock underlying an unvested option is not considered owned by the individual who holds the unvested option). For purposes of the preceding sentence, however, if a vested option is exercisable for stock that is not substantially vested (as defined by Treasury Regulation §1.83-3(b) and (j)), the stock underlying the option is not treated as owned by the individual who holds the option.

2.7 "**Code**" means the U.S. Internal Revenue Code of 1986, as amended from time to time, including any regulations or authoritative guidance promulgated thereunder and successor provisions thereto.

2.8 "**Committee**" means the Compensation Committee of the Board or such other committee appointed by the Board to administer the Plan pursuant to **Section 3.1**.

2.9 "**Company**" means Liquidia Technologies, Inc., a North Carolina corporation, and any successor thereto.

2.10 "**Company Performance Metrics**" means criteria established by the Committee relating to any of the following, as it may apply to one or more business units, divisions, or Affiliates, or on a Company-wide basis, and in absolute terms, relative to a base period, or relative to the performance of one or more comparable companies, peer groups, or an index covering multiple companies, which, may include, but is not limited to, any of the following: product research and development; completion of an identified special project; clinical trials; regulatory filings or approvals; patent application or issuance; manufacturing or process development; sales or net sales; market share; market penetration; economic value added; customer service; customer satisfaction; inventory control; balance of cash, cash equivalents and marketable securities; growth in assets; key hires; employee satisfaction; employee retention; business expansion; acquisitions, divestitures, joint ventures; capital or fund raising to support operations; government grants; license arrangements; collaboration or customer agreements or arrangements; legal compliance or safety and risk reduction; or such other measures as determined by the Committee consistent with these performance measures.

2.11 "**Individual Performance Metrics**" means criteria established by the Committee relating to a Participant, which, may include, but shall not be limited to, the following: individual performance during the Performance Period relative to others in the business unit taking into consideration the level of difficulty of the individual's objectives, the consistency of his or her actions with corporate values, the level of performance vs. objectives, the individual's most recent performance rating (if applicable), past performance and future potential, and outside benchmark market data for similar positions.

2.12 "**Negative Discretion**" means the discretion of the Committee to reduce or eliminate the size of an Award in accordance with **Section 6.1(b)** of the Plan.

2.13 "**Participant**" means as to any Performance Period, the employees of the Company or an Affiliate who are designated by the Committee to participate in the Plan for that Performance Period.

2.14 "**Performance Criteria**" means the performance criteria upon which the Performance Goals for a particular Performance Period are based, as determined by Committee or the management of the Company which include either Company Performance Metrics or Individual Performance Metrics or a combination thereof.

2.15 "**Performance Goals**" means the goals selected by the Committee, in its discretion to be applicable to a Participant for any Performance Period. Performance Goals shall be based upon one or more Performance Criteria. Performance Goals may include a threshold level of performance below which no Award will be paid and levels

of performance at which specified percentages of the Target Award will be paid and may also include a maximum level of performance above which no additional Award amount will be paid.

2.16 "**Performance Period**" means the period for which performance is calculated, which shall be the Plan Year or a portion thereof, unless a longer period is otherwise established by the Committee.

2.17 "**Plan**" means the Liquidia Technologies, Inc. Annual Cash Bonus Plan, as hereafter amended from time to time.

2.18 "**Plan Year**" means the Company's fiscal year, which commences on January 1st and ends on December 31st or such other period.

2.19 "**Pro-rated Award**" means an amount equal to the Award otherwise payable to the Participant for a Performance Period in which the Participant was actively employed by the Company or an Affiliate for only a portion thereof, multiplied by a fraction, the numerator of which is the number of days the Participant worked during the Performance Period and the denominator of which is the number of days in the Performance Period.

2.20 "**Target Award**" means the target award payable under the Plan to a Participant for a particular Performance Period, expressed as a percentage of the Participant's Base Salary. In special circumstances, the target award may be expressed as a fixed amount of cash.

3. Administration.

3.1 Administration By the Committee. The Plan shall be administered by the Committee which shall consist of not less than two (2) members of the Board.

3.2 Authority of the Committee. Subject to the provisions of the Plan and applicable law, the Committee shall have the power, in addition to other express powers and authorizations conferred on the Committee by the Plan, to: (i) designate Participants; (ii) determine the terms and conditions of any Award; (iii) determine whether, to what extent, and under what circumstances Awards may be forfeited or suspended; (iv) interpret, administer, reconcile any inconsistency, correct any defect and/or supply any omission in the Plan or any instrument or agreement relating to, or Award granted under, the Plan; (v) establish, amend, suspend, or waive any rules for the administration, interpretation and application of the Plan; and (vi) make any other determination and take any other action that the Committee deems necessary or desirable for the administration of the Plan.

3.3 Decisions Binding. All determinations and decisions made by the Committee, the Board, and any delegate of the Committee pursuant to the provisions of the Plan shall be final, conclusive and binding on all persons, and shall be given the maximum deference permitted by law.

3.4 Delegation By the Committee. The Committee, in its sole discretion, may delegate all or part of its authority and powers under the Plan to one or more directors and/or officers of the Company; provided, however, that the Committee may not delegate its responsibility to make Awards to executive officers.

3.5 Agents; Limitation of Liability. The Committee may appoint agents to assist in administering the Plan. The Committee and each member thereof shall be entitled to, in good faith, rely or act upon any report or other information furnished to it or him by any officer or employee of the Company, the Company's certified public accountants, consultants or any other agent assisting in the administration of the Plan. Members of the Committee and any officer or employee of the Company acting at the direction or on behalf of the Committee shall not be personally liable for any action or determination taken or made in good faith with respect to the Plan, and shall, to the extent permitted by law, be fully indemnified and protected by the Company with respect to any such action or determination.

4. Eligibility and Participation.

4.1 Eligibility. Employees of the Company and its participating Affiliates are eligible to participate in the Plan.

4.2 Participation. The Committee, in its discretion, shall select the persons who shall be Participants for the Performance Period. Only eligible individuals who are designated by the Committee to participate in the Plan with respect to a particular Performance Period may participate in the Plan for that Performance Period. An individual who is designated as a Participant for a given Performance Period is not guaranteed or assured of being selected for participation in any subsequent Performance Period.

4.3 New Hires; Newly Eligible Participants. A newly hired or newly eligible Participant will be eligible to receive a Pro-rated Award reflecting participation for a portion of the Performance Period.

4.4 Leaves of Absence. If a Participant is on a leave of absence, including due to disability, for a portion of a Performance Period, the Participant will be eligible to receive a Pro-rated Award reflecting participation for the period during which he or she was actively employed and not any period when he or she was on leave.

5. Terms of Awards.

5.1 Determination of Target Awards. Prior to or within the first quarter of each Plan Year, the Committee, in its sole discretion, shall establish the Target Award for each Participant, the payment of which shall be conditioned on the achievement of the Performance Goals for the Performance Period.

5.2 Adjustments. The Committee is authorized, in its sole discretion, to adjust or modify the calculation of a Performance Goal for a Performance Period during the Performance Period as it deems desirable and appropriate.

6. Payment of Awards.

6.1 Determination of Awards.

(a) Subject to **Section 6.3**, following the completion of each Performance Period, the Committee shall determine the extent to which the Performance Goals have been achieved or exceeded. If the employment requirement set forth in **Section 6.3** and the minimum Performance Goals established by the Committee are not achieved, then no award will be earned under this Plan.

(b) In determining the amount of each Award, the Committee may reduce or eliminate the amount of an Award by applying Negative Discretion if, in its sole discretion, such reduction or elimination is appropriate.

6.2 Form and Timing of Payment. Except as otherwise provided herein, as soon as practicable following the Committee's determination pursuant to Section 6.1 for the applicable Performance Period, each Participant shall receive a cash lump sum payment of his or her Award, less required withholding. In no event shall such payment be made later than 2 1/2 months following the end of the Performance Period.

6.3 Employment Requirement. Except as otherwise provided in **Section 7**, no Award may be earned by any Participant who is not actively employed by the Company or an Affiliate on the date that Awards are paid.

6.4 Deferral of Awards. The Committee, in its sole discretion, may permit a Participant to defer the payment of an Award that would otherwise be paid under the Plan. Any deferral election shall be subject to such rules and procedures as shall be determined by the Committee in its sole discretion.

7. Termination of Employment.

7.1 Employment Requirement. Except as otherwise provided in Section 7.2 or pursuant to the terms of a Participant's employment agreement or similar agreement with the Company, if a Participant's employment terminates for any reason prior to the date that Awards are paid, the Participant shall no longer be eligible to earn an Award for the Performance Period. However, except in the event the Participant is terminated for Cause, the Committee, in its sole discretion, may pay a Pro-rated Award reflecting the Participant's participation for a portion of the Performance Period. Such Pro-rated Award will be paid at the same time and in the same manner as Awards are paid to other Participants.

7.2 Termination of Employment Due to Death. If a Participant's employment is terminated by reason of his or her death during a Performance Period, the Participant or his or her beneficiary will be paid a Pro-rated Award reflecting participation for a portion of the Performance Period. Payment of such Pro-rated Award will be made at the same time and in the same manner as Awards are paid to other Participants.

8. Change in Control.

If a Change in Control occurs during a Performance Period, subject to the terms of any Company plan or a Participant's employment agreement, change in control agreement, severance agreement or similar agreement, as applicable, the Committee may, but is not required to, provide for a Participant to be paid a Pro-rated Award based on actual or target performance, as determined by the Committee. Such Pro-rated Awards, if any, paid in connection with a Change in Control, will be paid within 30 days following the Change in Control.

9. General Provisions.

9.1 Compliance With Legal Requirements. The Plan and the granting of Awards shall be subject to all applicable federal and state laws, rules and regulations, and to such approvals by any regulatory or governmental agency as may be required.

9.2 Non-transferability. A person's rights and interests under the Plan, including any Award previously made to such person or any amounts payable under the Plan may not be assigned, pledged, or transferred, except in the event of the Participant's death, to a designated beneficiary in accordance with the Plan, or in the absence of such designation, by will or the laws of descent or distribution.

9.3 No Right to Employment. Nothing in the Plan or in any notice of Award shall confer upon any person the right to continue in the employment of the Company or any Affiliate or affect the right of the Company or any Affiliate to terminate the employment of any Participant.

9.4 No Right to Award. Unless otherwise expressly set forth in an employment agreement signed by the Company and a Participant, a Participant shall not have any right to any Award under the Plan until such Award has been paid to such Participant and participation in the Plan in one Performance Period does not connote any right to become a Participant in the Plan in any future Performance Period.

9.5 Withholding. The Company shall have the right to withhold from any Award, any federal, state or local income and/or payroll taxes required by law to be withheld and to take such other action as the Committee may deem advisable to enable the Company and Participants to satisfy obligations for the payment of withholding taxes and other tax obligations relating to an Award.

9.6 Amendment or Termination of the Plan. The Board or the Committee may, at any time, amend, suspend or terminate the Plan in whole or in part. Notwithstanding the foregoing, no amendment shall adversely affect the rights of any Participant to Awards allocated prior to such amendment, suspension or termination.

9.7 Unfunded Status. Nothing contained in the Plan, and no action taken pursuant to its provisions, shall create or be construed to create a trust of any kind or a fiduciary relationship between the Company and any Participant, beneficiary or legal representative or any other person. To the extent that a person acquires a right to receive payments under the Plan, such right shall be no greater than the right of an unsecured general creditor of the Company. All payments to be made hereunder shall be paid from the general funds of the Company and no special or separate fund shall be established and no segregation of assets shall be made to assure payment of such amounts except as expressly set forth in the Plan. The Plan is not intended to be subject to the Employee Retirement Income Security Act of 1974, as amended (ERISA).

9.8 Governing Law. The Plan shall be construed, administered and enforced in accordance with the laws of North Carolina without regard to conflicts of law.

9.9 Beneficiaries. To the extent that the Committee permits beneficiary designations, any payment of Awards due under the Plan to a deceased Participant shall be paid to the beneficiary duly designated by the Participant in accordance with the Company's practices. If no such beneficiary has been designated or survives the Participant, payment shall be made by will or the laws of descent or distribution.

9.10 Section 409A of the Code. It is intended that payments under the Plan qualify as short-term deferrals exempt from the requirements of Section 409A of the Code. In the event that any Award does not qualify for treatment as an exempt short-term deferral, it is intended that such amount will be paid in a manner that satisfies the requirements of Section 409A of the Code. The Plan shall be interpreted and construed accordingly.

9.11 Expenses. All costs and expenses in connection with the administration of the Plan shall be paid by the Company.

9.12 Section Headings. The headings of the Plan have been inserted for convenience of reference only and in the event of any conflict, the text of the Plan, rather than such headings, shall control.

9.13 Severability. In the event that any provision of the Plan shall be considered illegal or invalid for any reason, such illegality or invalidity shall not affect the remaining provisions of the Plan, but shall be fully severable, and the Plan shall be construed and enforced as if such illegal or invalid provision had never been contained therein.

9.14 Gender and Number. Except where otherwise indicated by the context, wherever used, the masculine pronoun includes the feminine pronoun; the plural shall include the singular, and the singular shall include the plural.

9.15 Non-exclusive. Nothing in the Plan shall limit the authority of the Company, the Board or the Committee to adopt such other compensation arrangements, as it may deem desirable for any Participant.

9.16 Notice. Any notice to be given to the Company or the Committee pursuant to the provisions of the Plan shall be in writing and directed to the Secretary of the Company at 419 Davis Drive, Suite 100 Morrisville, North Carolina 27560.

9.17 Successors. All obligations of the Company under the Plan with respect to Awards granted hereunder shall be binding upon any successor to the Company, whether the existence of such successor is the result of a direct or indirect purchase, merger, consolidation or otherwise, of all or substantially all of the assets of the Company.

9.18 Clawback. All Awards may be subject to the Company's clawback policy as in effect from time to time and, in accordance with such policy, may be subject to the requirement that the Awards be repaid to the Company after they have been distributed to the Participant.

The action permitted to be taken by the Board under this **Section 9.18** is in addition to, and not in lieu of, any and all other rights of the Board and/or the Company under applicable law and shall apply notwithstanding anything to the contrary in the Plan.

LEASE AGREEMENT

THIS LEASE AGREEMENT (the "Lease" or "Agreement") entered into as of the Execution Date between the Landlord and the Tenant. Landlord, in consideration of the rents and covenants to be kept and performed by the Tenant, leases to the Tenant that certain property and improvements, more specifically described below, upon the following terms and conditions:

1. PREMISES.

1.1. **Premises**. The property leased is the Premises located in the Building as described in the Term Sheet. Unless specifically provided to the contrary elsewhere in this Lease, the term "Premises" shall consist of only that interior space located within the perimeter described on ***Schedule A*** (including the interior portions of the wall surfaces, ceiling and floor) and shall not include the roof or any exterior wall surfaces (other than exterior glass). The term "Building" shall include the parcel of real property on which the improvements are located and all improvements thereon (including, but not limited to Common Areas), whether leased to Tenant or not.

1.2. **Common Area**. The Premises are leased together with a non-exclusive license to use, in common with the Landlord and other tenants in the Building, those common areas necessary for ingress and egress, including lobbies, restrooms, halls, stairways, drives, sidewalks and parking areas, patio area near the rear of the Premises, along with any other areas which Landlord may, but is not obligated to, designate for common use by tenants (the "Common Areas"). Unless specifically provided elsewhere in this Agreement, Tenant shall have no designated parking spaces and shall observe restricted parking areas designated by Landlord. Except for the venting contemplated by the approved Additional Tenant Improvements, Landlord does not grant any easement for light, air or view.

2. TERM.

2.1. **Duration**. This Agreement shall be effective as of the Execution Date and, subject to a prior termination as provided in this Agreement, the Lease shall remain in effect for the Term.

2.2. **Delayed Possession**. Except as otherwise provided in this Agreement, Landlord shall deliver possession of the Premises to Tenant on the Commencement Date. Except as otherwise provided in ***Schedule E***, any delay in having the Premises available for occupancy by the Target Commencement Date or the Outside Commencement Date shall not affect the validity of this Lease or Tenant's obligations under the Lease, nor shall Landlord be subject to any liability for that delay. Landlord and Tenant agree to confirm the actual Commencement Date and Expiration Date, in writing, prior to Tenant's occupancy.

2.3. **Early Occupation**. Provided it does not cause undue interference or delay in Landlord's completion of the Additional Tenant Improvements, Tenant may (prior to the Commencement Date and without incurring any liability for payment of Rent), place and install its personal property, equipment and trade fixtures, in any part of the Premises, at Tenant's sole risk and expense. All other provisions of the Lease (including, but not limited to, ***Sections 3.2 & 3.3***) shall be applicable to this early occupation by Tenant. This early occupation shall not be deemed "taking possession of the Premises" for purposes of ***Section 3.1.1***.

3. CONDITION AND USE OF PREMISES.

3.1. **Condition of Premises**.

3.1.1. Neither the Landlord, nor its agents or the Managing Agent, have made any representations with respect to the Premises or Building that are not set forth in the Lease. Except as provided in ***Section 3.1.2*** and for latent defects not reasonably discoverable in the walk through described below, taking possession of the Premises by the Tenant shall be conclusive evidence, as against Tenant, that Tenant accepts the same "as is" and that the Premises, the Building and the Common Areas were in good and satisfactory condition at the time of taking possession and suitable for the Tenant's Permitted Use. Notwithstanding the preceding to the contrary, Landlord represents that to the best of its knowledge, as of the Commencement Date, the Building (including the Premises) and Common Areas comply with all applicable legal requirements of any governmental or quasi-governmental body.

3.1.2. Prior to delivery of the Premises to Tenant, Landlord and Tenant shall conduct a walk through of the Premises for the purpose of assuring that all construction is according to plans and specifications, that all utilities are functional, and that the Premises are in good condition. Any deficiencies observed in the walk through shall be noted in writing and signed by both parties. These noted deficiencies shall be cured by Landlord within thirty (30) days of the walk through.

3.1.3. Except for Hazardous Substances (as later defined) used by other tenants in connection with their operations at the Building, which Landlord believes is in compliance with all Environmental Laws (as later defined), Landlord represents that: (i) it has not brought or permitted any Hazardous Substances to be brought onto the Premises or Building; and (ii) to the best of its knowledge, as of the Execution Date, neither the Premises nor the Building contains any Hazardous Substances or is in violation of any Environmental Laws.

3.2. **Use of Premises**. The Premises shall be used and occupied by Tenant for Tenant's Permitted Use and for no other purpose. Tenant may not use the Premises or any portion thereof for any illegal or unlawful purpose and may not cause or permit a nuisance to be created or maintained on the Premises including, without limitation, noises of such a level as to disturb others in the Building. Tenant's use of the Premises and Common Areas shall comply with the Rules & Regulations (as defined below), if any, which apply to the Premises. Tenant's use may not increase the fire insurance premiums on the Building or make that insurance unavailable to Landlord. In no event shall Tenant have more than the Permitted" Employees Per Square Foot employed at the Premises.

3.3. **Compliance with Regulations**. Tenant shall materially comply with all legal requirements of any governmental or quasi-governmental body including City, County, State or Federal boards having jurisdiction respecting any operation conducted or any equipment installations or other property placed upon, in or about the Premises by it. Tenant shall immediately, on discovery of any unlawful use within the Premises, take action to halt that activity.

Except as provided in ***Section 3.4*** or as specifically assigned to Tenant above, Landlord shall comply with all legal requirements of any governmental or quasi-governmental body including City, County, State or Federal boards having jurisdiction respecting the Building and the Common Areas.

3.4. **ADA Compliance**. Landlord represents and warrants that, to the best of its knowledge, as of the Commencement Date, the Premises, the Common Areas, and the Building comply with all applicable laws and regulations dealing with access by individuals with disabilities, including Title III of The Americans with Disabilities Act, Public Law 101-336 (July, 1990) as revised from time to time (the "ADA"). To the extent the Premises do not subsequently comply with the ADA because of post-Commencement Date changes in those laws or related regulations and such non-compliance relates to or arises solely out of Tenant's particular use, or operations, or the Tenant Improvements (whether constructed prior to or after the Commencement Date) or any Alterations (as defined below), Tenant shall, at its sole expense, take all reasonable steps to modify the Premises to comply with the ADA. Otherwise, the Landlord shall, subject to the provisions of ***Section 4.3***, be responsible for keeping the Premises, the Common Areas, and the Building (exclusive of Tenant Improvements and Alterations) in compliance with the ADA.

4. RENT.

4.1. **Base Rent**. Commencing on the Commencement Date and continuing for the remainder of the Term, Tenant shall pay to Landlord the Base Rent set out in ***Schedule D***. Installment Amounts/Payment Amounts (as reflected in ***Schedule D***), as well as payments of Additional Rent (defined below) shall be payable without previous demand and without offset or deduction, in advance, on or before the first day of each month. Tenant shall make such payments by direct deposit to the bank account identified, in writing, by Landlord to Tenant prior to the first payment of Base Rent is due or as otherwise may be designated, from time to time, in writing, by Landlord to Tenant. If the Commencement Date is a day other than the first day of the month or if the Term ends on a day other than the last day of the month, Base Rent for any partial month of the Term shall be pro rated on a per diem basis.

4.2. **Stamp, Use, Sales Tax Adjustment**. Should any governmental authority having jurisdiction over the Premises declare or otherwise assess against Landlord any tax on Tenant's rents, lease, or leasehold whether designated as a stamp tax, sales tax, ad valorem tax, use tax or otherwise (other than income taxes), then all taxes so charged shall be the Tenant's obligation and shall be paid by Tenant directly to the taxing authority or shall be paid to Landlord in reimbursement.

4.3. **Additional Rent**. Tenant shall pay Landlord Additional Rent in amounts and in the manner as described below:

4.3.1. "Expenses" shall include all direct costs of operation and maintenance of the Building as determined by generally accepted accounting principles ("GAAP"), consistently applied, and shall include by way of illustration, but not be limited to:

(i) Taxes. Amounts paid by Landlord for real estate taxes, special assessments, or any governmental charges which may be levied or assessed against the Building. "Taxes" shall specifically exclude Landlord's income and/or franchise taxes and tax penalties.

(ii) Utilities. Amounts paid by Landlord for electricity, water, sewage, heating and air conditioning, and other utilities for the Common Areas of the Building. Amounts paid by Landlord for water used at the Building, including the Common Areas, the Premises and all other tenant space.

(iii) Insurance. Amounts paid by Landlord for all premiums for insurance required by this Lease or other property and liability insurance coverage with respect to the Building deemed to be reasonable by Landlord.

(iv) Maintenance. The reasonable cost of wages, including associated payroll taxes, insurance and fringe benefits, of non-management level persons employed by Landlord in connection with the operation or management of the Building, including, but not limited to, management personnel, secretaries, security guards (if any), carpenters, painters, laborers and other office, maintenance, security, janitorial or general cleaning personnel to the extent they perform services for the Building. The reasonable cost of services furnished by independent contractors with respect to the operation, repair, maintenance, security or cleaning of the Building. The reasonable cost of materials, tools and equipment, fluorescent and incandescent lamps, filters, cleaning supplies and maintenance items, purchased by Landlord in providing services to the Building.

(v) Operating Expenses. All reasonable amounts paid by Landlord for all direct costs of operations and maintenance (not otherwise specified above) as determined by GAAP. These shall include the following costs by way of illustration, but not limitation: Payroll expense, fuel, security, management fees, legal and professional fees, maintenance costs (including building and grounds), plumbing, heating, electrical, air conditioning and cleaning (including janitorial services, supplies, rubbish and snow removal).

(vi) Assessments. Assessments paid to the Owners Association pursuant to the Restrictive Covenants (defined below).

(vii) Depreciation. Depreciation, calculated over the useful life, for capitalized repairs/replacements of the Building systems (e.g., life safety systems, and the like).

Notwithstanding the preceding to the contrary, the following costs are specifically excluded from the definition of "Expenses": costs incurred for making installations or alterations to the Building which under GAAP are properly classified as capital expenditures, other than depreciation; costs incurred in correcting latent defects in the Building, Common Areas or Premises; loan fees, points and the like; mortgage principal and interest; costs incurred in negotiating leases; marketing costs; broker's commissions; Landlord's "overhead" (which shall include any salaries and fringe benefits of employees above the level of building manager); expenses otherwise reimbursable by specific tenants of the Building or insurance/condemnation proceeds; costs incurred to repair damages resulting from the negligent or willful acts of Landlord or its employees or agents; management fees in excess of five percent (5.0%) of gross rents, provided Tenant is not in default in the payment of Rent, any interest or penalties due for late payment by Landlord of any of the Expenses; costs for any item or service not provided to Tenant but exclusively provided to certain other tenants in the Building; legal fees incurred in resolving disputes, enforcing leases, or negotiating lease terms with prospective or existing tenants; expenses incurred in renovating any space for the purpose of leasing or releasing; costs arising from Landlord's charitable or political contributions; and any ground lease rental.

4.3.2. In any calendar year in which the rentable area of the Building is not fully occupied for the entire year, the Expenses (other than Taxes and Insurance (described above) and any other "Expenses" that do not vary with the level of occupancy) shall be "grossed up" as if the Building were 100% occupied for the entire calendar year. The "gross up" shall be based upon the Landlord's reasonable projections of the variable Expenses expected to be incurred if the Building were totally occupied for the entire calendar year, as determined under GAAP. Landlord shall have the duty during the Term to be reasonable in its selection of persons, firms and corporations providing services to the Building, taking into consideration the services required and their cost within the Durham, North Carolina area.

4.3.3. Commencing on the Commencement Date and continuing for the remainder of the Term, Tenant shall pay to Landlord, as Additional Rent, Tenant's Proportionate Share of any "Expenses" (as defined above). Should Tenant not have had the right to occupy the Premises for the entire calendar year, the amount of Additional Rent will be adjusted proportionately on a per diem basis. Landlord shall send Tenant, in writing, an itemized statement of any Additional Rent due from Tenant (the "Statement") on or before one hundred twenty (120) days after the end of each calendar year. The Statement shall include a reasonable description of any " gross up" calculations. Tenant shall pay that amount indicated in that Statement within thirty (30) days after the Statement is rendered. From the Commencement Date through the end of that calendar year, the parties agree that the Tenant shall pay the Initial Estimated Amount of Additional Rent each month. Thereafter, with each Base Rent payment Tenant shall pay Landlord, in advance, one-twelfth of the amount of Tenant's Proportionate Share of the "Expenses" for the preceding calendar year (calculated on an annualized basis if Tenant did not have the right to occupy the Premises for the entire calendar year) as a credit against Additional Rent due for the then current calendar year (the "Advance Payments"). At any time during the calendar year Landlord may increase the amount of the monthly Advance Payments for that year to account for unexpected increases in Expenses; provided that the increases for the year do not, in the aggregate, exceed ten percent (10%) of the Advance Payments originally set for that year. These Advance Payments shall be credited to Tenant's account for the applicable calendar year and that account shall be adjusted as necessary when the Statement for that calendar year is rendered. Any deficiency in the Advance Payments shall be noted in the Statement and paid within the thirty (30) day period noted above. Any excess in the Advance Payments shall be applied to the Additional Rent obligation otherwise due in the ensuing calendar year, or, if the Lease has been terminated and the excess has not been otherwise applied by the Landlord to cure an Event of Default (as defined below), shall be refunded to the Tenant with the Statement for that year. The Tenant's obligation to pay Additional Rent and the Landlord's obligation to refund any excess Advance Payments, as the case may be, shall survive a termination of this Lease.

4.3.4. Landlord shall maintain complete and accurate records of all costs incurred in the operation and maintenance of the Building and the furnishing of services to its tenants, including those which Landlord intends to include in Expenses. At any reasonable time, but no more than once in each calendar year. Tenant shall be entitled to inspect all of Landlord's records necessary to reasonably satisfy itself that all charges have been correctly allocated to Tenant. Tenant must give Landlord at least five (5) business days' prior written notice before exercising this inspection right. The inspection shall be conducted at the Managing Agent's business office during its regular business hours and shall be limited to either or both of the two (2) immediately preceding calendar years. Tenant shall be entitled to obtain an audit by an independent certified public accountant or such representative of Tenant as Tenant shall otherwise select (such representative to be selected by Tenant with Landlord's written consent, which shall not be unreasonably withheld) to determine the accuracy of Landlord's certification of the amount of Additional Rent charged Tenant. Tenant shall bear the total cost of any such audit, including, but not limited to, reimbursing Landlord for any out-of-pocket expenses (e.g., photocopying charges, accountant's fees, etc.) reasonably incurred by Landlord in connection with Tenant's audit. As an express condition of Tenant's rights under this Section, Tenant and its auditors shall keep the existence of the audit, any and all financial information obtained from the audit, and the results of its audit confidential. Notwithstanding anything in this Lease to the contrary, a breach of this confidentiality obligation shall automatically be an Event of Default and Tenant shall have no right to notice of, or right to cure, that default. Notwithstanding the preceding to the contrary, if the audit reveals that the Additional Rent for the Building for a particular calendar year was overstated by more than ten percent (10 %), the reasonable costs of the audit shall be borne by Landlord. Any deficiency/overpayment determined by the audit shall be paid by/refunded to Tenant within thirty (30) days after acceptance of the results of the audit by Landlord, which shall not be unreasonably withheld or delayed.

5. SECURITY DEPOSIT/FINANCIALS.

5.1. **Security Deposit**. Upon execution of this Lease, Tenant shall deposit the Security Deposit with the Landlord as security for Tenant's full and faithful performance of all Lease terms, covenants and conditions. Landlord is authorized to charge any damages it may sustain as the result of any default by Tenant against the Security Deposit. At the expiration or earlier termination of this Lease, any unused portion of the Security Deposit shall be returned to Tenant, but only after an inspection of the Premises has been made by Landlord after vacation by Tenant and after application of the Security Deposit as allowed under law. The obligation to return the Security Deposit shall survive termination of this Lease. The Security Deposit may be commingled with other funds and Tenant shall not be credited with or entitled to any interest on its Security Deposit. If prior to the termination of this Lease Landlord depletes the Security Deposit, in whole or in part, Tenant shall immediately restore the amount so used by Landlord. At the expiration of the Term or earlier termination of this Lease and/or whenever Landlord shall demand additional remittances of cash, Tenant shall be entitled to a complete accounting of all disbursements and applications of the Security Deposit as of that date.

5.2. **Financials**. Upon Landlord's request, but no more than one time per year, Tenant shall provide Landlord with a copy of Tenant's most recent financial statements (to include, at least, a current balance sheet and statements of profit and loss and cash flow, all prepared in accordance with generally accepted accounting principles, consistently applied) which shall be certified by an officer/manager of the Tenant and such other financial information concerning Tenant as reasonably requested by Landlord. Landlord agrees to hold that financial information in confidence and to use the same degree of care in protecting the confidentiality of that information as it uses in protecting its own confidential information. Notwithstanding the preceding to the contrary, so long as the Tenant is a publicly traded company, the Tenant shall have no obligation under this Section.

6. IMPROVEMENTS.

6.1. **Landlord Improvements**. Landlord, at its sole cost and expense, has designed and constructed the Building as reflected in the Landlord Improvements. As of the date of delivery of the Premises to the Tenant, Landlord represents that the Landlord Improvements have been substantially completed in substantial accordance with that Schedule and otherwise in a workmanlike manner and in substantial compliance with all applicable building, fire, health, and sanitary codes and regulations and other applicable laws.

6.2. **Tenant Improvements**. Promptly after the Execution Date, Landlord, at Tenant's sole cost and expense, shall commence and diligently pursue completion of the Additional Tenant Improvements to be constructed by it on the Premises. All Additional Tenant Improvements shall be constructed

in substantial accord with ***Schedule C*** (as approved by the parties), in a workmanlike manner, and otherwise in substantial compliance with all applicable building, fire, health, and sanitary codes and regulations, and shall be performed by a licensed general contractor selected by Landlord and reasonably acceptable to Tenant. Once approved, no material changes to the Additional Tenant Improvements may be made without the written consent of both parties, which shall not be unreasonably withheld, conditioned, or delayed. All approved changes shall be made in the form of a change order ("Change Order") setting forth the increased costs, if any, caused by the change and specifying any anticipated delay relating to that Change Order, it any. Landlord shall be entitled to receive a supervision fee from Tenant on all Change Orders equal to the greater of: (i) seven percent (7.0%) of the amount of the Change Order; and (ii) $50.00. Tenant shall reimburse Landlord for any increased costs, including any applicable supervision tees, within ten (10) days of Tenant's receipt of the invoice from Landlord for those increased costs. Unless otherwise noted in writing in ***Schedule C*** or in the applicable Change Order, the Additional Tenant Improvements shall remain and be surrendered with the Premises on expiration of the Lease. If ***Schedule C*** or the Change Order provides that certain improvements are not to be surrendered, Tenant, at its sole cost, shall, upon termination of the Lease, remove those Additional Tenant Improvements which are not to remain and repair all damage to the Premises caused by their removal. This obligation shall survive a termination of the Lease. Except to the extent such is included in the Landlord's property tax bill for the Building or as otherwise stipulated by the parties, during the Term, Tenant shall be responsible for any ad valorem taxes relating to the Additional Tenant Improvements whether such are to remain or be removed. Upon completion of the Tenant Improvements, Tenant, at its expense, shall provide Landlord with an as-built set of plans for the Tenant Improvements.

6.3. **Tenant Upfit Allowance**. Notwithstanding ***Section 6.2***, the Landlord shall contribute the Tenant Upfit Allowance towards the costs and expenses incurred in designing and/or constructing the Tenant Improvements

(the "Upfit Costs"). The Tenant Upfit Allowance shall be paid by Landlord directly to the general contractor and others based on invoices submitted. Tenant shall be responsible for any and all Upfit Costs in excess of the Tenant Upfit Allowance (the "Excess Upfit Costs"). Once the budget for the design/construction of the Additional Tenant Improvements (including all design/construction, signage, landscaping, etc. costs) is approved by the parties, Tenant shall pay to Landlord the positive difference, if any, between the estimated Upfit Costs set out in that approved budget and the Tenant Upfit Allowance (the "Payment"). The Payment shall be made within thirty (30) days of the Budget Approval Date. Landlord shall use the Payments in funding the Upfit Costs and shall be entitled to disburse the Payments to the general contractor and others based on invoices submitted. Any portion of the Tenant Upfit Allowance not so expended by the Landlord (up to a maximum of $2.00/sq. ft.) may be used by the Tenant towards the commercially reasonable costs incurred by Tenant in installing the exterior sign contemplated under ***Section 10*** below and Tenant's trade fixtures. Tenant's written request for reimbursement of these costs shall be accompanied by all reasonable supporting documentation.

7. **ALTERATIONS, ADDITIONS AND IMPROVEMENTS**. Except for the Additional Tenant Improvements, Tenant shall not make any alterations, additions or improvements, structural or otherwise (the "Alterations") in or to the Premises without Landlord's prior written consent. The plans and specifications for any approved Alterations shall be subject to Landlord's prior written approval and once approved, shall not be materially changed without the Landlord's prior written consent. Tenant shall provide Landlord with a copy of the plans and specifications and estimated construction costs for the Alterations prior to commencing construction. All Alterations shall be made promptly, in a workmanlike manner, paid for by Tenant allowing no liens to attach either to the Premises or to Tenant's leasehold interest, and so as not to unreasonably disturb or inconvenience other tenants in the Building. Landlord shall have the right to require Tenant to provide such assurances as Landlord shall reasonably require (e.g., bonds, escrows, etc.) to protect Landlord against unpaid work and to require that any work be performed only by duly licensed contractors and subcontractors approved by Landlord. Upon a termination of the Lease, Tenant shall provide Landlord with copies of all unexpired construction warranties related to the Alterations, all of which shall be deemed assigned to Landlord. Unless otherwise noted in Landlord's written approval of the Alteration, any Alteration shall remain and be surrendered with the Premises on expiration of the Lease. If Landlord's approval of the Alteration provides that the Alteration is not to be surrendered, Tenant, at its sole cost, shall remove that Alteration which is not to remain and shall repair all damage to the Premises caused by that removal. This obligation shall survive a termination of the Lease. Notwithstanding anything in this Lease to the contrary, Tenant shall be responsible for any ad valorem taxes or increase therein resulting from Alterations made by or at the direction of Tenant. The Landlord consents/approvals required under ***Section 7*** shall not be unreasonably withheld, conditioned or delayed. Provided it is not in default under this Lease and makes any repairs to the roof caused by the removal, upon termination of this Lease Tenant, at its sole expense, shall be permitted to remove those items identified as trade fixtures (e.g., hoods, casework, and countertops) which are included in any Alterations. Tenant shall be permitted to remove the counters and hoods currently in the Premises (i.e., existing as of the Execution Date) and shall not be required to repair or replace such items at the end of the Term.

8. **SERVICES/PARKING/REPAIRS.**

8.1. **Utilities/Janitorial**. Landlord shall, at its expense, cause all utilities (except water/sewer services) to be separately metered for the Premises. Except for the cost of water/sewer services used at the Premises (which shall be provided by Landlord and included in "Expenses"). Tenant, at its sole expense, shall be responsible for the costs of all utility services used by the Tenant in its operations at the Premises.

8.2. **Access/Parking**. Landlord shall provide Tenant with 24 hour, 7 days a week, 52 weeks a year access to the Premises. The Tenant shall be allocated 4.5 unmarked parking spaces per 1000 rentable square feet included in the Premises. The parking spaces, however, shall generally be allocated among the Building's tenants in accordance with each Tenant's Proportionate Share. Except as required by law or applicable zoning codes, the parking spaces shall be unmarked.

8.3. **Repairs**.

8.3.1. The Landlord, at its own expense, shall promptly repair or replace any and all defects in the Landlord Improvements and Common Areas and all latent defects in the Additional Tenant Improvements. Landlord shall also maintain, repair and replace: (a) the structural integrity of the Building (including, but not limited to, the foundation, the exterior walls (but, excluding exterior glass), the supporting framework, the floor slab

(exclusive of any floor coverings), and roof and roof membrane); (b) the Common Areas, which shall be maintained in accordance with the standards of a Class A office park for the Research Triangle Park, North Carolina area; and (c) any damages resulting from its or its employees, agents, or invitees negligent or willful acts. Repairs required of Landlord shall be made within five (5) business days after Landlord receives written notice from Tenant, or has actual knowledge, of the need for the repair (except that if the repair cannot be reasonably cured within that period, Landlord shall not be in default so long as it

promptly and diligently pursues completion of the repair). Except as assigned to Landlord above, Tenant, at its own expense, shall maintain and repair the Premises (including, but not limited to, the repair and replacement of the exterior glass, mechanical, plumbing, electrical systems, interior walls, floors, ceilings, security systems, the sprinkler system, and the monitoring systems) and otherwise make all repairs relating to the Premises. All repairs to be made by Tenant shall be made promptly, in a workmanlike manner, paid for by Tenant allowing no liens to attach either to the Premises or to Tenant's leasehold interest, and so as not to unreasonably disturb or inconvenience other tenants in the Building. Landlord shall have the right to require Tenant to provide such assurances as Landlord shall reasonably require (e.g., bonds, escrows, etc.) to protect Landlord against unpaid work and to require that any work be performed only by duly licensed contractors and subcontractors approved by Landlord. Landlord shall make available to Tenant any warranties Landlord has received which are applicable to the repairs to be performed by Tenant. Tenant shall reimburse Landlord for all costs incurred by Landlord (over and above those amounts reimbursed by insurance carried by Landlord), along with a ten percent (10%) overhead fee, for all repairs to the Common Areas, or Building arising out of Tenant's or its employees, agents, or invitees, negligent or willful acts. Continuously throughout the Term, Tenant shall maintain, at its expense, a maintenance contract covering the HVAC system located in or serving exclusively the Premises with a service contractor acceptable to and approved by Landlord in its reasonable discretion. This contract shall provide for routine maintenance, including, but not limited to, timely changing of all filters (at recommended intervals), adjustment and inspection of air handling mechanisms and control equipment, and performance of necessary lubrication, testing, and other such normal maintenance procedures. Notwithstanding the preceding to the contrary, in the event the Tenant fails to maintain the required HVAC maintenance contract, Landlord reserves the right to arrange for the HVAC system maintenance contract and charge Tenant for the reasonable costs of that contract.

8.3.2. Notwithstanding the above provisions to the contrary, except where the need for the HVAC Capital Repair (as defined below) is caused by Tenant's or its agents', employees' or invitees' negligent or willful acts or Tenant's failure to keep the required HVAC maintenance contract continuously in effect, Tenant's repair obligations under this Lease with respect to the Premises' HVAC system shall not include any capital repair/replacements costing more than $2500.00 (a "HVAC Capital Repair"). Landlord, after notice of the need for an HVAC Capital Repair is received from the Tenant, shall, at its own expense, promptly and diligently cause the HVAC Capital Repair to be made. Tenant shall nevertheless reimburse the Landlord for the first $2500.00 of the reasonably necessary costs incurred by Landlord in completing the HVAC Capital Repair.

8.4. **Liability**. Provided that the causes of the damage are not directly under the care, custody or control of Landlord, Landlord shall not be liable to Tenant for any damage caused to Tenant or its property due to the Premises, Building, or Common Areas (or any part or appurtenances thereof) being or becoming out of repair or arising from the failure of any utility service. Tenant shall promptly report to Landlord any defective condition in or about the Premises, Building, or Common Areas known to Tenant. Tenant shall promptly report to the applicable utility company any interruption of its utility service. So long as Landlord acts reasonably and in good faith and without negligence, there shall be no abatement or reduction of Rent by reason of any of the utility services not being continuously provided to Tenant, nor shall such interruption of utility services constitute either a constructive or partial eviction.

9. **TAXES AND ASSESSMENTS**. Landlord shall list the Building for ad valorem tax purposes and shall pay all tax assessments of whatever kind or nature assessed against the Building, all of which shall be included in "Expenses". The Tenant shall pay all taxes and assessments imposed on Tenant's personal property located on the Premises, whether affixed or not, and all other taxes, fees and assessments imposed for its use of the Premises.

10. **SIGNS**. Tenant shall have the right to erect on and in the Building and the Premises such signs as may be reasonably necessary to identify and advertise Tenant and its business which will include, but not be limited to its corporate name and/or logo. One (1) exterior identification sign shall be included in the Additional Tenant Improvements. Tenant will pay for the planning, fabrication, and installation of the approved signage. Notwithstanding the preceding to the contrary, this right to erect signs is conditioned on: (i) only one (1) exterior

sign shall be permitted; (ii) the Landlord's prior written consent as to form, size, color and location, which shall not be unreasonably withheld, conditioned or delayed; (iii) compliance with any applicable zoning or building codes; and (iv) compliance with the Rules & Regulations. Landlord, at Tenant's expense, shall maintain and repair all exterior signage, if any, erected pursuant to this Section. The Tenant, at its sole expense, shall remove all signs erected for/by Tenant upon termination of the Lease and shall repair any damage to the Premises and Building caused by their removal. This repair/removal obligation shall survive a termination of the Lease. All exterior decor and exposed sides of drapes, blinds, shutters, and other window treatments must receive Landlord's prior written approval. The Landlord consents/approvals required under ***Section 10*** shall not be unreasonably withheld, conditioned or delayed.

11. **INSURANCE/INDEMNIFICATION.**

11.1. **Property Insurance**. Landlord shall carry all-risk property damage and hazard/casualty insurance with extended coverage insuring against loss or damage to the Building and/or other improvements in amounts and with companies as Landlord in its discretion chooses; but in no event shall coverage amounts be less than full replacement cost of the Building. The cost of this insurance shall be included in "Expenses". The policy shall show Landlord as the named insured and its Lender (defined below) as an additional insured. Tenant shall maintain and care for its personal property on the Premises and insure the same to such extent as it deems appropriate. Neither Landlord nor Managing Agent shall be liable for any loss or damage to Tenant's personal property, irrespective of the cause.

11.2. **Liability Insurance**. Tenant shall, at its expense, maintain in effect a commercial general liability policy with coverages not less than the Tenant Liability Coverage. Limits in excess of $1,000,000.00 may be provided by an umbrella/excess policy. This policy shall show Landlord and Managing Agent as additional insureds. Landlord shall maintain in effect a commercial general liability policy with coverages not less than the Landlord Liability Coverage. The cost of this insurance shall be included in "Expenses".

11.3. **Worker's Compensation**. Tenant shall, at its expense, maintain Worker's Compensation Insurance coverage sufficient to meet all local, state and federal governmental regulations.

11.4. **Rental Income Insurance**. Tenant shall, at its expense, maintain business interruption insurance in an amount equal to the Business Interruption Insurance Coverage. This insurance shall insure that the Base Rent will be paid to Landlord (unless such Rent is abated or this Lease terminates, as provided below) if the Premises are destroyed or rendered unusable by a risk insured against by a policy of standard fire and extended coverage insurance, with vandalism and malicious mischief endorsements.

11.5. **Policies**. All required policies of insurance shall be maintained continuously throughout the Term and provide that they may not be changed or cancelled without ten business (10) days' prior written notice to both Landlord and Tenant and shall be underwritten by insurers who have a general policyholders rating of not less than "A-VII" as stated in the most current available A.M. Best Insurance Reports, who are licensed to do business in North

Carolina, and who are authorized to issue the policies. At either party's request, a certificate (ACORD Form No. 27) evidencing the required insurance shall be given to the requesting party. The general liability policies shall be on ISO Form CG 0001 0196 or equivalent "occurrence basis" insurance policy form. Notwithstanding anything in this ***Section 11*** to the contrary, Landlord shall be entitled, upon thirty (30) days' advance written notice to Tenant, to increase the policy coverage requirements to meet its Lender's (as defined below) requirements.

11.6. **Indemnification**. Except where caused by the Landlord's or its employee's, agent's, or contractor's negligence or willful misconduct, Tenant shall indemnify and hold the Landlord and its employees and agents harmless from any liability for injury to or death of any person or damage to any property relating to or arising out of the Tenant's or its invitee's, employee's, agent's or contractor's use of the Premises. Landlord shall indemnify and hold the Tenant and its employees and agents harmless from any liability for injury to or death of any person or damage to any property relating to or arising out of Landlord's or its employee's, agent's or contractor's negligence or willful misconduct. If the party to be indemnified is made a party to any litigation commenced by or against it for which it is to be indemnified, then the indemnifying party shall protect and hold harmless and pay all court costs, penalties, charges, damages, expenses, and reasonable attorney's fees incurred or paid by the party to be indemnified. These obligations shall survive a termination of the Lease.

11.7. **Waiver of Subrogation**. Notwithstanding the language of ***Section 11.6*** to the contrary or that the loss or damage may be due to or result from the negligent or willful act of a party or its employees or agents, Landlord and Tenant, for themselves and their respective insurers, release each other from any and all claims, demands, actions and causes of action that each may have or claim to have against the other for loss or damage to persons or property, both real and personal, caused by or resulting from casualties required to be insured against by the terms of this Lease or otherwise insured against by the party suffering the loss or damage. All policies of insurance required by this Lease shall contain a provision whereby the insurer waives all rights of subrogation against either Tenant or Landlord, as appropriate. If insurance policies with waiver of subrogation provisions shall be obtainable only at a premium, the party seeking the policy shall pay that additional premium. Except to the extent insurance pays (or would have paid if the insurance coverage required by this Lease was in effect) a claim subject to indemnification, this release is not intended to nor shall it release a party from its indemnification obligations as set out in this Lease. These obligations shall survive a termination of the Lease.

12. DESTRUCTION/CONDEMNATION.

12.1. **Destruction of Premises**.

(A) Total Destruction. If the Premises are totally destroyed by fire or other casualty, either Landlord or Tenant may terminate this Lease by giving written notice of termination not later than thirty (30) days after the date of the destruction. In that event, Base Rent and Additional Rent paid for the period beyond the date of destruction shall be refunded to Tenant and neither party shall have any further obligations under this Lease except for those obligations which are expressly provided to survive a termination.

(B) Partial Destruction. If there is not total destruction of the Premises, yet: (i) Landlord, in its sole reasonable judgment, concludes that restoration of the damage cannot be completed within one hundred eighty (180) days; or (ii) less than six (6) months of the Term remains; or, (iii) insurance proceeds (along with funds Landlord, in its discretion, decides to provide) in an amount sufficient to restore the Premises is not made available to Landlord (provided, that Landlord shall use commercially reasonable efforts to obtain the proceeds to which it is entitled under its applicable insurance policy); Landlord or Tenant may, at their option, terminate this Lease by giving written notice of termination not later than ten (10) days after the date Landlord provides Tenant with the information described below. In that event, Base Rent and Additional Rent paid for the period beyond the date of destruction shall be refunded to Tenant and neither party shall have any further obligations under this Lease except for those obligations which are expressly provided to survive a termination. Within thirty (30) days after the casualty, Landlord shall furnish Tenant with Landlord's estimate of the time required to complete repairs and whether or not sufficient funds are available to pay for the required repairs.

(C) Repair/Restoration. If the Lease is not terminated pursuant to Subparagraphs (A) or (B), Landlord, at its expense, shall promptly restore and/or repair the Premises (other than Alterations or Additional Tenant Improvements identified as being required to be removed by Tenant upon a termination of the Lease, all of which shall be the Tenant's sole responsibility) and any other portions of the Building outside the Premises required for Tenant's use of the Premises. In no event shall Landlord be required to restore fixtures or improvements made or owned by Tenant. If Tenant is reasonably required to close all or a portion of its operations during the period of repair/restoration, Base Rent and Additional Rent shall abate on a proportional basis (based upon the square footage of the unusable portion of the Premises) during that period. In no event shall Landlord have any liability for losses claimed by Tenant resulting, directly or indirectly, from Tenant's inability to use the Premises. Unless otherwise agreed in writing by Landlord and Tenant at the time the restoration/repairs are commenced, in the event Landlord fails to Substantially Complete the restoration/repairs within one hundred eighty (180) days after the date of the destruction other than as a result of Tenant Delays, Tenant may terminate the Lease by giving written notice of termination to Landlord at any time prior to Substantial Completion of the restoration/repairs.

(D) Tenant's Fault. Notwithstanding the above to the contrary, if the Premises are damaged by the willful or grossly negligent acts or omissions of Tenant, its employees, agents, customers, or guests, Tenant may not terminate this Lease and there shall be no apportionment or abatement of Rent.

12.2. **Condemnation of Premises**. If all of the Premises, or a portion which will make the remainder unusable for the Tenant's Permitted Use, be taken under the power of eminent domain (or a conveyance in lieu thereof), then this Lease shall terminate as of the vesting of title in the condemning authority and Base Rent and

Additional Rent obligations shall be adjusted between Landlord and Tenant as of that date. If only a portion of the Premises are taken and Tenant can reasonably continue use of the remainder, then the Lease will not terminate, but Base Rent and Additional Rent obligations shall abate in a just and proportionate amount to the loss of use occasioned by the taking. Except as otherwise provided by the authority granting an award of damages, Tenant shall have no right or claim to any part of any award made to or received by the Landlord for any taking of the Premises and no right or claim for any alleged value of the unexpired portion of this Lease; provided, however, that Tenant shall not be prevented from making a claim against the condemning party (but not against Landlord) for any moving expenses, loss of profits, or taking of Tenant's personal property (including its leasehold interest) to which Tenant may be entitled. No Tenant's claim may, however, diminish Landlord's award with respect to the Premises. For purposes of this Section, Landlord shall make a good faith determination as to whether the Premises are unusable or not after a taking. If less than a fee title to all or any portion of the Premises shall be taken or

condemned by any governmental authority for temporary use or occupancy, this Lease shall continue in full force and effect without reduction or abatement in Rent.

13. CARE/RETURN OF PREMISES.

13.1. **Care of Premises**. Tenant shall not permit or cause any act to be performed upon, in or about the Premises which shall cause or be likely to cause injury to any person or to the Premises, the Building, or Common Areas, or any adjoining property. Tenant shall at all times keep the Premises in a neat and orderly condition. The Tenant agrees to take reasonable care of the Premises, fixtures, and appurtenances and suffer no waste or injury thereto.

13.2. **Return of Premises**. Upon the termination of this Lease, Tenant shall return the Premises to Landlord substantially in the same condition as received and shall deliver to the Landlord a certification from a mutually acceptable independent third party that the Premises have been fully decommissioned; i.e., a third party report stating that the Premises do not contain hazardous residual levels of any Hazardous Substances (as later defined). Excepted from this obligation are: (i) conditions which are the Landlord's responsibility or result from Landlord's or its agent's or employee's negligence, a casualty required to be insured against by Landlord under this Lease, or a condemnation; (ii) ordinary wear and tear; and, (iii) Tenant Improvements and approved Alterations which Landlord has not required to be removed. This obligation shall survive a termination of the Lease. Any failure by the Tenant to comply with this Section which results in a delay in Landlord's ability to deliver the Premises to a successor tenant shall be deemed to be a holdover (as described in ***Section 14*** below) by the Tenant for the period it takes the Tenant, or if Tenant fails to do so, the Landlord to complete any required repair/replacement activities.

14. HOLDING OVER. In the event Tenant remains in possession after the expiration of the Term without the execution of a new lease, Tenant shall not acquire any right, title or interest in the Premises. In that event, Tenant shall occupy the Premises as a tenant from month-to-month and shall otherwise be subject to all applicable conditions, provisions and obligations of this Lease; except that all options and rights of renewal, rights of first refusal, and the like, if any, shall terminate. Notwithstanding the above, Landlord shall have the right to pursue summary ejectment of Tenant as provided by law and to recover from the Tenant any and all damages suffered as a result of that holdover, including, but not limited to, damages relating to any loss of a prospective tenant for the Premises. During the holding over period, Tenant shall pay monthly rent equal to the Holdover Rent Multiple times the Base Rent Installment Amount in effect as of the last month of the Term.

15. ASSIGNMENT.

15.1. **Restriction**. Tenant shall not have the right to assign this Lease or to sublet the Premises, in whole or in part, whether voluntarily or by operation of law, without the prior written consent of Landlord, which consent shall not be unreasonably withheld, conditioned, or delayed. It shall not be unreasonable for the Landlord to withhold consent if: (i) it is not assured that substantially the same type, class, nature and quality of business, prestige, reputation, and financial soundness of ownership and management, is maintained by the proposed assignee/sub-tenant; (ii) occupancy by the proposed assignee/sub-tenant would violate the terms of the Lease, cause the Landlord to be in breach of any restrictive covenant relative to the Building or other leases, or increase the costs of operation for the Building; (iii) the Landlord's Lender (described below) withholds its consent or Landlord's granting consent would be a breach of the Deed of Trust (described below); (iv) any guarantor of the Lease fails or refuses to acknowledge its consent to the assignment/sublease and the continuing nature of its guaranty obligations;

or (v) Tenant fails to provide Landlord with a copy of the proposed assignment/sublease. All public advertisements of the assignment of the Lease or sublet of the Premises, or any portion thereof, shall be subject to prior written approval by Landlord, such approval not to be unreasonably withheld or delayed. Said public advertisement shall include, but not be limited to, the placement or display of any signs or lettering on the exterior of the Premises or on the glass or any window or door of the Premises or in the interior of the Premises if it is visible from the exterior. If Landlord unreasonably withholds its consent, Tenant's sole and exclusive remedy is specific performance and under no circumstances will Landlord be liable for damages. If Tenant is other than an individual, then the passage of majority interest in Tenant to parties other than those who presently own those interests shall be deemed an assignment of this Lease except that if a majority in interest of Tenant passes as a result of a debt or equity financing of the Company. In no event shall this Lease be assignable by operation of any law . Tenant's rights under this Lease may not become, and shall not be listed by Tenant as an asset under any bankruptcy, insolvency or reorganization proceedings. Notwithstanding anything in this Lease to the contrary, a breach of the restrictions of this Section shall automatically be an Event of Default and Tenant shall have no right to notice of, or right to cure, that default.

15.2. **Notice**. If Tenant proposes to assign any interest in this Lease or to sublet all or any portion of the Premises, Tenant shall first submit to Landlord a written notice of its intentions (the "Notice of Intent"). The Notice of Intent shall contain: (1) the name of the proposed assignee/subtenant; (2) the terms of the proposed assignment/subletting and a copy of the proposed assignment/sublease agreement; and, (3) any other information reasonably requested by Landlord. Whether or not the transfer requires the Landlord's prior consent, Tenant shall promptly provide Landlord with an executed original of the assignment or a certified copy of the merger/conversion/reorganization document, as the case may be. If Landlord consents to the proposed assignment/sublease, it shall be an express condition of that consent that no material modification or assignment of that assignment/sublease shall be permitted without the Landlord's prior written consent.

15.3. **Modification Option**. If Tenant gives the Notice of Intent, Landlord shall have the option to modify this Lease so as to exclude the space proposed to be assigned/sublet (the "Excluded Space") for the term of the assignment/subletting. Provided Landlord gives Tenant written notice of the exercise of this option within ten (10) business days of receipt of the Notice of Intent, the modification of this Lease shall be effective (without further documentation) as of the date of commencement of the term of the proposed assignment/sublease. If Landlord exercises its option as described above, Tenant's Base Rent and Additional Rent obligations shall abate in a just and proportionate amount to the Excluded Space and Tenant shall have no further obligations with respect to the Excluded Space.

15.4. **Liability** . Unless the Landlord has reclaimed the space pursuant to ***Section 15.3***, any assignment or sublease to which Landlord may consent (one consent not being any basis to contend that Landlord should consent to further assignments or subleases) shall not relieve Tenant of its Lease obligations.

15.5. **Costs**. If Tenant shall request Landlord's consent to an assignment/subletting of the Lease, Tenant shall pay Landlord's reasonable attorney fees incurred in connection with that matter, such fees not to exceed $1,000.00 for each request.

15.6. **Affiliated Entities**. Tenant may, without the Landlord's prior consent, assign this Lease to an Affiliated Entity (as defined below); provided that the assignment to the Affiliated Entity shall be permitted only so long as the assignment is made for a good faith business purpose and the assignee remains an Affiliated Entity. Tenant shall nevertheless give Landlord prompt notice of such any such assignment or sublease, which shall include the information specified in ***Section 15.2***. The provisions of ***Section 15.3*** shall not apply to this type of assignment. For purposes of this Lease, an "Affiliated Entity" shall mean a partnership, corporation, or limited liability company over which the owners of Tenant or Tenant has legal control, the purchaser of substantially all of Tenant's assets, or the surviving entity in a merger involving Tenant. An assignment pursuant to this Section shall not release Tenant or any guarantors from their respective obligations under this Lease.

15.7. **Excess Consideration**. In the event of an assignment of the Lease or a subletting of the Premises to any entity other than an Affiliated Entity, fifty percent (50%) of the cash consideration received by Tenant (but not any other non-cash consideration) from that assignment or sublease over the amount paid as Rent during the comparable period (the "Excess Consideration") shall be paid to Landlord as Additional Rent on a monthly basis. In the event less than all of the Premises is subleased, a pro rata portion (calculated on a per square foot basis) of the

Rent paid by Tenant shall be used in calculating the Excess Consideration. The reasonable leasing commissions paid by Tenant, the amortization of the cost of any improvements made to the Premises at Tenant's cost for the assignee/sublessee, and other reasonable, out-of-pocket costs paid by Tenant to unaffiliated third parties in connection with the assignment/subletting shall be deducted in calculating the Excess Consideration. Within ten (10) days of the date the assignee/subtenant begins occupancy in the Premises, the Tenant shall send Landlord a copy of the executed Lease Assignment or Sublease, as applicable, and a detailed statement showing the calculation of the Excess Consideration, including the total consideration to be paid by the subtenant/assignee over the term of the assignment/subletting and any costs (to be accompanied by reasonable supporting documentation) to be deducted from that amount as permitted by this Section. Landlord shall have the right, one time during each sublease year, during business hours and upon prior reasonable notice to Tenant, to audit Tenant's books and records to verify the accuracy of that statement.

16. DEFAULT/REMEDIES.

16.1. **Tenant Default**. The following events (the "Events of Default") shall each constitute a default by the Tenant:

(A) If Tenant timely fails to pay any sum due Landlord under the Lease, which failure shall continue for a period of five (5) business days after receipt or deemed receipt of written notice by Tenant; or

(B) If Tenant shall fail to perform any non-monetary term, condition, covenant or agreement of this Lease which continues for a period of ten (10) days after receipt or deemed receipt of written notice by Tenant (except that if the default cannot be reasonably cured within that period, Tenant shall not be in default so long as Tenant promptly and diligently pursues the cure and is not otherwise in default); or

(C) If Tenant (or, if Tenant is a partnership, if any partner of Tenant) shall file a petition in bankruptcy, make any assignment for the benefit of its creditors, or admit in writing its inability to pay its debts generally as they become due; if any court of competent jurisdiction shall enter a decree or order adjudicating it bankrupt or insolvent; or if any trustee or receiver for Tenant or for any substantial part of its property be appointed or if any person shall file a petition for involuntary bankruptcy against Tenant and such appointment or petition shall not be stayed or vacated within sixty (60) days of entry thereof; or

(D) If Tenant's interest in this Lease or the Premises shall be subjected to any attachment, levy or sale pursuant to any order or decree entered against Tenant in any legal proceeding and the order or decree shall not be vacated within thirty (30) days of its entry; or

(E) If Landlord, with reasonable cause, on more than two (2) occasions in any twelve (12) month period, gives notice to Tenant of default under subparagraphs (A) or (B) above, notwithstanding Tenant's subsequent cure of the noticed defaults within the allowable periods.

16.2. **Remedies Upon Tenant Default**.

(A) Upon the occurrence of any Event of Default, Landlord, with or without terminating this Lease, immediately or at any time thereafter, shall have the right, at its option, to utilize any one or more of the following remedies: (i) Landlord may make any payment required of Tenant and/or re-enter the Premises and correct or repair any condition which shall constitute a failure on Tenant's part to keep or perform. Tenant shall reimburse Landlord for any reasonable expenditures made by Landlord in making the payment and/or corrections or repairs within fifteen (15) days after delivery of a statement to Tenant accompanied by reasonable documentation supporting the demand.

(ii) Landlord may demand in writing that Tenant vacate the Premises. Tenant shall vacate the Premises and remove all its property within ten (10) business days of Tenant's receipt of the notice, whereupon Landlord shall have the right to re-enter and take possession of the Premises.

(iii) Landlord may re-enter the Premises and remove Tenant and all of Tenant's property.

(iv) Landlord may re-let all or any portion of the Premises for such time, rent, and other terms and conditions as Landlord, in its sole discretion, may deem advisable. Landlord may make any alterations or repairs to the Premises which it may reasonably deem necessary or proper to facilitate the reletting. Tenant shall pay all commercially reasonable costs of the reletting including the commercially reasonable cost of any alterations or repairs to the Premises. If this Lease shall have not been terminated by Landlord, Tenant shall continue to pay all charges due from Tenant under this Lease up to and including the date of beginning of payment of rent by any subsequent tenant of part or all of the Premises, and thereafter, Landlord may accelerate and collect from Tenant the difference, if any, between the rent to be collected from that subsequent tenant and the Rent reserved in this Lease for the balance of the Term, after discounting the difference to its present value by a factor equal to Landlord's bank's then announced prime rate. In no event shall Tenant be entitled to receive any excess of any rents collected by Landlord over the rents due from it.

(v) Landlord may terminate this Lease without notice or demand to vacate the Premises. This Lease shall be deemed to have been terminated by Landlord only upon Landlord's written notice of termination. Upon termination Landlord shall nevertheless remain entitled to recover from Tenant

all sums provided for in subparagraph (iv) above as if the Lease were not terminated.

(vi) Landlord may exercise any other remedies and recover any other damages available to it under law or in equity.

(B) In the event of any re-entry of the Premises by Landlord pursuant to any of the provisions of this Lease, Tenant waives all claims for damages which may be caused by that re-entry except those claims arising from the Landlord's gross negligence or willful misconduct not otherwise covered by insurance maintained by the Tenant. Tenant shall reimburse the Landlord for any and all losses, costs, expenses (including legal expenses and reasonable attorney's fees), and damages suffered by Landlord by reason of its re-entry, removal and/or storage of Tenant's property. No re-entry shall be considered or construed to be a forcible entry.

(C) Upon any breach of this Lease, regardless of whether that breach is, or becomes, an Event of Default, Landlord shall be reimbursed for any and all commercially reasonable expenses incurred by Landlord, including legal expenses and reasonable attorney fees, in enforcing the terms and provisions of this Lease.

(D) Any of Tenant's personal property remaining at the Premises after a repossession of the Premises by Landlord after an Event of Default or after a termination of the Lease shall be deemed abandoned by the Tenant. Tenant shall be liable for any and all reasonable storage and/or removal costs incurred by Landlord in storing and/or removing that abandoned property. In addition, Landlord shall be entitled to sell the abandoned property in order to recover those storage/removal costs and any other amounts due from Tenant under the Lease. The sale of the abandoned property may be by private or public sale as contemplated under the North Carolina Uniform Commercial Code or in any other form provided by law. This right shall be in addition to any statutory lien for rent or similar rights available to Landlord under law or this Agreement.

16.3. **Landlord's Default**. Should Landlord breach any of its duties or obligations to Tenant and, in the case of a monetary default, the breach continues for five (5) business days after written notice is given to Landlord, or in the case of a non-monetary default, the breach continues for ten (10) days (or such longer period of time as it may reasonably take to cure provided Landlord promptly and diligently pursues the cure and is not otherwise in default) after written notice of the breach is given to Landlord, Tenant may take such action as is reasonably necessary to cure the breach. In this event, Landlord shall, upon demand (accompanied by reasonable documentation supporting the demand) reimburse the Tenant for expenses reasonably incurred by Tenant in curing Landlord's breach, including legal expenses and reasonable attorney fees. If Landlord shall fail to promptly reimburse Tenant, Tenant may withhold or abate its rental payment due to the extent of the unreimbursed expenses. In the event of any dispute about Tenant's right to abate or withhold Rent or other sums payable to Landlord under this Section, Tenant must deposit the disputed amounts in escrow in an interest-bearing account with a national bank in Raleigh, North Carolina, conditioned on resolution of the dispute by a final, nonappealable court order or by mutual written agreement of Landlord and Tenant. Any interest earned shall be paid to the party entitled to the escrowed funds and any fees of the escrow agent shall be paid by the party not entitled to the escrowed funds. Regardless of the outcome or resolution of the dispute, no Event of Default with respect to the subject matter of the dispute shall be deemed to have occurred so long as the disputed amounts are deposited in escrow by Tenant.

16.4. **Mitigation**. Whenever a party is in default under this Lease, the non-defaulting party shall use commercially reasonable efforts to mitigate the damages resulting from the default.

17. SUBORDINATION/ATTORNMENT/ESTOPPEL.

17.1. **Subordination**. Depending on the requirements of the then beneficiary of any deed of trust which is a lien against the Building (the "Lender"), this Lease and the rights of Tenant will either be subordinate or superior to the lien of that deed of trust (the "Deed of Trust") whether the Deed of Trust is currently a lien on the Premises or subsequently becomes a lien on the Premises. No further agreements or documents shall be required to render this Lease and the Tenant's rights subordinate or superior to the Deed of Trust. Should Lender request, Tenant will execute an agreement making this Lease superior or subordinate, as the case may be. Should Tenant fail to deliver the document within ten (10) business days of Lender's request, it shall be deemed an Event of Default without any further notice to Tenant. The subordination agreement shall include language to the effect that Tenant's tenancy shall not be disturbed nor affected by any default under the Deed of Trust provided that Tenant is not in default beyond applicable cure periods under any of the Lease terms and shall otherwise be reasonably acceptable to the Tenant.

17.2. **Attornment**. In the event Landlord's interest in the Premises passes to a successor (the "Successor") by sale, lease, foreclosure, or in any other manner, Tenant and any guarantor of this Lease shall be bound to the Successor under all of the terms of this Lease for the balance of the Term, with the same force and effect as if the Successor were the Landlord under the Lease. Tenant and any guarantor of this Lease, is deemed to attorn to the Successor as its landlord and no further documents shall be required to effectuate the attornment. Provided Successor becomes legally bound to Tenant in respect of all of Landlord's duties and obligations, Landlord shall have no further liability under the Lease and Tenant shall look solely to the Successor for any subsequent performance due by Landlord. Landlord shall give Tenant prompt written notice of the transfer of the Security Deposit to a Successor. Any attornment agreement required of Tenant shall include language to the effect that Tenant's tenancy shall not be disturbed nor affected by any default under the Deed of Trust provided that Tenant is not in default beyond applicable cure periods under any of the Lease terms and shall otherwise be reasonably acceptable to the Tenant.

17.3. **Estoppel Certificate**. Within ten (10) business days of each request, Tenant agrees to execute estoppel certificates setting forth the facts with respect to its date of occupancy, the Term, the amount of Rent due and date to which Rent is paid, whether or not it has any defense or offsets to the enforcement of the Lease, its knowledge of any default or breach by Landlord, and whether or not this Lease is in full force and effect inclusive of all modifications and/or amendments, copies of which Tenant shall attach to the estoppel certificate. In addition, each guarantor of the Lease, if any, shall execute a document confirming/ratifying its guaranty of the Lease. Should Tenant or, if applicable, a guarantor fail to timely deliver the document, it shall be deemed an Event of Default without any further notice to Tenant.

17.4. **Landlord's Assignment**. If Tenant is notified of Landlord's assignment of this Lease as security for a Deed of Trust and of the name and address of the Lender, Tenant shall not terminate or cancel this Lease for any default by Landlord without first giving notice of its intention to do so to the Lender (the notice to describe in reasonable detail the nature and extent of the default) and affording the Lender the same opportunity (i.e., period of time) to cure the default as given the Landlord under the terms of this Lease.

18. COVENANT OF TITLE AND QUIET ENJOYMENT. Landlord covenants and warrants to Tenant that Landlord has full right and lawful authority to enter into this Lease for the Term and that, provided Tenant is not in default beyond any applicable cure period, Tenant's quiet and

peaceable enjoyment of the Premises shall not be disturbed by anyone claiming through Landlord.

19. RULES AND REGULATIONS.

19.1. **Tenant's Obligations**. Tenant agrees to be bound by the use and other restrictions imposed by the Declaration of Covenants, Conditions, and Restrictions for Keystone Technology Park recorded at Book 2305, Page 555, Durham County Registry,(the "Restrictive Covenants"). Tenant also agrees to be bound by the rules and regulations attached as ***Schedule G*** and by any further rules and regulations or amendments and modifications as may, from time to time, be made by Landlord deemed reasonably necessary for the preservation of good order,

safety, care, cleanliness and economical management of the Premises (together with the Restrictive Covenants, the "Rules & Regulations").

19.2. **Changes**. Notwithstanding the above to the contrary: (a) Tenant shall be provided with written notice of any change in the Rules & Regulations restricting its use of the Premises; (b) Tenant shall be required to comply with only those Rules & Regulations which are applicable to all tenants in the Building; and (c) no change in the Rules & Regulations shall be made that would materially and adversely affect Tenant's ability to use the Premises for Tenant's Permitted Use or would conflict with the terms of this Lease (exclusive of ***Schedule G***).

20. EASEMENTS, RESTRICTIONS AND RIGHTS-OF-WAY. The Premises are leased subject to all easements, restrictions and rights-of-way legally affecting the Premises, including, but not limited to the Restrictive Covenants. Landlord represents that, to the best of its knowledge, as of the Execution Date, neither these easements, restrictions, and rights-of-way, nor applicable zoning laws, prohibits the use of the Premises for Tenant's Permitted Use.

21. LANDLORD'S RIGHT OF ENTRY. Landlord shall have the right to enter and to grant temporary licenses to enter the Premises at any time and for such lengths of time as Landlord shall deem reasonable to inspect the Premises, to exhibit the Premises to prospective tenants (provided such is limited to the period within one hundred eighty (180) days prior to the Expiration Date or earlier termination of the Lease) or purchasers, to make alterations or repairs to the Premises or to the Building, for any purpose which Landlord shall deem necessary for the operation and maintenance of the Building and the general welfare and comfort of its tenants, or to abate any condition which constitutes a violation of any covenant or condition of this Lease. Except in those instances where Tenant is in default under this Lease, these entries by Landlord shall not in any manner affect Tenant's obligations and covenants under this Lease, and shall not of itself, without affirmative proof of Landlord's negligence or willful misconduct, render Landlord liable for any loss of or damage to the Tenant's property. Except in the case of emergencies or default: (i) Landlord shall attempt to give Tenant reasonable prior oral or written notice of entry; (ii) entries shall be during business hours; (iii) any persons entering the Premises on behalf of Landlord shall be accompanied by one of Tenant's employees; and (iv) Landlord shall make reasonable efforts to minimize interference with Tenant's occupancy of the Premises.

22. LANDLORD'S LIABILITY. Notwithstanding anything in this Lease to the contrary, neither Landlord nor its Managing Agent (including their respective owners, officers, and/or employees) shall have any personal liability for any breach of this Lease or any claims relating to the relationship of the parties except to the extent of rental income, proceeds of sale, insurance proceeds, condemnation proceeds and the like received by the exculpated party from the Building after the entry of a judgment in favor of Tenant and Tenant shall otherwise look solely to Landlord's interest in the Building for satisfaction.

23. IDENTITY OF INTEREST. The execution of this Lease or the performance of any act pursuant to its provisions shall not be deemed or construed to have the effect of creating between Landlord and Tenant the relationship of principal or agent, or of a partnership or joint venture.

24. BROKER. Tenant warrants that it has had no dealings with any broker in connection with the negotiations or execution of this Lease other than the Brokers. Landlord shall be solely responsible for any commissions due Brokers or other brokers contacted by or used by it in connection with the negotiations or execution of this Lease. Tenant agrees to indemnify Landlord and hold Landlord harmless from and against any and all cost, expense, or liability for commissions or other compensation or charges claimed by any broker or agent acting for Tenant with respect to this Lease other than the Brokers. Landlord shall indemnify Tenant and hold Tenant harmless from and against any and all cost, expense, or liability for commissions or other compensation or charges claimed by any broker or agent acting for Landlord with respect to this Lease.

25. FORCE MAJEURE. In the event Landlord or Tenant shall be delayed, hindered or prevented from the performance of any act required under this Lease (other than the payment of money) by reason of governmental restrictions, scarcity of labor or materials, strikes, or any other reasons beyond its reasonable control, the performance of the act shall be excused for the period of delay, and the period for the performance of the act shall be extended for the period necessary to complete performance after the end of the period of the delay.

26. ATTORNEY FEES. In the event that any legal action or any other action is brought to enforce this Lease, the unsuccessful party in the proceeding shall pay to the successful party the costs of the action, including reasonable attorney's fees. "Reasonable attorneys fees" shall be deemed to be those fees actually charged based upon time actually spent at customary and reasonable charges normally incurred for those types of services, as opposed to any statutory presumption which may then be in effect. This obligation shall survive a termination of the Lease.

27. HAZARDOUS SUBSTANCES.

27.1. **Hazardous Substances**. As used in this Lease, the term "Hazardous Substances", shall include, without limitation, flammables, explosives, radioactive materials, asbestos, polychlorinated biphenyles (PCBs), chemicals known to cause cancer or reproductive toxicity, pollutants, contaminants, hazardous wastes, toxic substances or related materials, petroleum and petroleum products and substances declared to be hazardous or toxic under any law or regulation now or hereafter enacted or promulgated by any governmental authority. As used in this Lease, the term "Environmental Laws", shall include any federal, state, or municipal law, ordinance, or regulation, now or subsequently enacted, relating to the existence, use, generation, storage, transportation, or disposal of Hazardous Substances and/or other environmental conditions.

27.2. **Tenant's Restrictions**.

27.2.1. Tenant shall not cause or permit to occur:

(a) Any violation of any Environmental Laws on, under, or about the Premises, or arising from Tenant's use or occupancy of the Premises, including but not limited to, soil and ground water conditions; or

(b) The use, generation, release, manufacture, refining production, processing, storage, or disposal of any Hazardous Substance on, under, or about the Premises, or the transportation to or from the Premises of any Hazardous Substance, except: (i) in *de minimis* quantities necessary for or incidental to the Tenant's normal and customary conduct of business; and/or (ii) in strict compliance with all applicable Environmental Laws.

27.2.2. Tenant shall, at Tenant's own expense: (a) comply with all Environmental Laws ; and (b) make all submissions to, provide all information required by, and comply with all requirements of all governmental authorities (the "Authorities") under the Environmental Laws arising in connection with its obligations under this Section.

27.2.3. Should any Authority or any third party demand that a cleanup plan be prepared and that a cleanup be undertaken because of any deposit, spill, discharge, or other release of Hazardous Substances that occurs at any time from Tenant's use or occupancy of the Premises, then Tenant shall, at Tenant's own expense, prepare and submit the required plans and all related bonds and other financial assurances; and Tenant shall carry out all such cleanup plans.

27.3. **Indemnification**. Tenant shall indemnify, defend, and hold harmless Landlord, the Managing Agent, and their respective officers, directors, beneficiaries, shareholders, members, agents, and employees from all fines, suits, procedures, claims, and actions of every kind, and all costs associated therewith (including reasonable attorneys' and consultants' fees) arising out of or in any way connected with any deposit, spill, discharge, or other release of Hazardous Substances that occurs at or from the Premises during the Term of this Lease, or which arises at any time from Tenant's use or occupancy of the Premises or from Tenant's failure to provide all information, make all submissions, and take all steps required by all Authorities under the Environmental Laws. Tenant's obligations and liabilities under this Section shall survive the termination of this Lease. These provisions relating to Tenant's environmental indemnification obligations shall not apply to events: (i) which occur at any time as a direct result of the acts or omissions of the Landlord, its employees, agents, contractors, successors or assigns; (ii) which arise out of and are directly caused by events occurring before Tenant took possession of the Premises; (iii) which occur after the Landlord, its employees, agents, contractors, successors or assigns have regained possession of the Premises; or (iv) which arise out of acts attributable to parties other than Tenant or its employees, agents, contractors, or invitees. The burden of proving the applicability of an exception to Tenant's indemnification obligation shall be on the Tenant. Once Tenant has proven an exception listed in (i), (ii), or (iii) above is applicable.

Landlord shall indemnify, defend, and hold harmless Tenant and its respective officers, directors, beneficiaries, shareholders, members, agents, and employees from all fines, suits procedures, claims, and actions of every kind, and all costs associated therewith (including reasonable attorneys' and consultants' fees) arising out of or in any way connected with any such deposit, spill, discharge, or other release of Hazardous Substances.

27.4. **Reports**. Tenant represents that none of the chemicals or biohazardous materials it currently intends to use at the Premises, if any, requires an environmental permit for its use. Tenant shall give prior written notice (specifying the chemical/biohazardous material planned to be used) to Landlord if and when Tenant plans to use, at the Premises, any chemical/material that requires an environmental permit. A written or electronic, updated, itemized inventory of all chemicals and biohazardous materials used by Tenant at the Premises, along with copies of all environmental permits obtained by Tenant for its operations at the Premises, will be kept at the Premises. Landlord, at its request, may inspect and/or will be provided with copies of the then current inventory and all of Tenant's environmental permits. Landlord shall keep all non-public information confidential; provided that it shall be permitted to provide copies to its attorneys and its Lender.

28. ARBITRATION.

28.1. **Procedure**. If a dispute under this Lease is not resolved by the parties within any applicable grace period or time to cure provided, either party may give notice to the other of its desire to arbitrate the dispute, in which event the dispute shall be settled by binding arbitration by the American Arbitration Association in accord with its then-prevailing rules. The arbitration hearing shall be held in Raleigh, North Carolina. Judgment upon the arbitration award may be entered in any court having jurisdiction. The arbitrators shall have no power to change the Lease provisions. Both parties shall continue performing their Lease obligations pending the award in the arbitration proceeding. The arbitrators shall award the prevailing party reasonable expenses and costs, including reasonable attorneys' fees, plus interest on the amount due at the Interest Rate.

28.2. **Payment**. The losing party shall pay to the prevailing party the amount of the final arbitration award. If payment is not made within ten (10) business days after the date of the arbitration award, then, in addition to any remedies under the law: (a) If Landlord is the prevailing party, it shall have the same remedies as it has for an Event of Default; (b) If Tenant is the prevailing party, it may deduct any remaining unpaid award from its monthly payment of Base Rent, Additional Rent, or other charges otherwise due Landlord; or, if this Lease has terminated, the same remedies as it has at law or in equity, including those for enforcing an award in arbitration.

29. **EFFECT OF TERMINATION**. Upon a termination of the Lease, neither party shall have any further obligations under the Lease except as to: (a) those obligations which have accrued on or before the date of termination and remain unsatisfied; (b) the indemnification obligations set out in the Lease; and/or (c) any obligations which are expressly provided to survive a termination of the Lease.

30. MISCELLANEOUS.

30.1. **Interest**. Any sums due to be paid by either party to or for the benefit of the other which are not paid when due shall bear interest from the due date to the date of payment at the Interest Rate.

30.2. **Notices**. Notices and written consents required under this Agreement shall be in writing and shall either be: (a) personally served (deemed received on receipt of delivery); (b) delivered by a nationally recognized overnight express delivery service (deemed received the next business day); or (c) posted by certified United States Mail, postage prepaid, return receipt requested (deemed received three (3) business days after posting); or (d) delivered via telecopier or facsimile transmission (deemed received on receipt of transmission), provided, however, that if such communication is given via telecopier or facsimile transmission, an original counterpart of such communication shall concurrently be sent in either manner specified above. Each document shall be addressed/transmitted as set out in the Term Sheet or at such other address/facsimile number as may from time to time be designated in writing in accordance

with this Subsection. Notices may be given on behalf of any party by that party's legal counsel. Notwithstanding anything in this Lease to the contrary: (i) the Statement contemplated by ***Section 4.3*** and any demands for reimbursement may be posted by ordinary United States Mail; and (ii) parties to be copied on any notices need be copied only on notices of default.

30.3. **Recording**. This Lease shall not be recorded, but a memorandum of it may, at the expense of the recording party, be prepared and recorded in the County where the Premises are located. The memorandum shall contain only that information as is necessary to provide adequate record notice of the existence of the Lease, including the parties, the Term, the Premises and whether options to renew or purchase exist. Upon a termination of this Lease prior to the Expiration Date, the Landlord, on its own signature, may record a termination of any recorded memorandum.

30.4. **Additional Acts**. Each party will execute and deliver all other additional and necessary instruments and documents and do all other acts and things as may be reasonably necessary to more fully effectuate this Lease.

30.5. **Entire Agreement**. This Lease (including the Term Sheet and all attached Schedules) shall constitute the entire agreement of the parties. All prior agreements between the parties, whether oral or written, are merged into this document and shall be of no force and effect. This Lease cannot be changed, modified or discharged other than by a written agreement signed by the party against whom enforcement of the change, modification or discharge is sought.

30.6. **Binding Effect**. Each and all of the covenants terms, provisions and agreements of this document shall be binding upon and inure to the benefit of the parties and, to the extent permitted by this Lease, their respective heirs, executors, administrators, legal representatives, successors and assigns.

30.7. **Construction**. No provision of this Lease shall be construed against or interpreted to the disadvantage of any party by any court or other governmental or judicial authority by reason of that party's having or being deemed to have prepared or imposed that provision. Wherever from the context it appears appropriate, each term stated in either the singular or plural shall include the singular and plural, and pronouns stated in either the masculine, the feminine or the neuter gender shall include the masculine, feminine and neuter.

30.8. **Counterparts**. This Lease may be executed in any number of counterparts with the same effect as if all parties had all signed the same document. All counterparts shall be construed together and shall constitute one agreement.

30.9. **Waiver**. The delay or failure of either party to seek redress for violation of or to insist upon the strict performance of any covenant or condition of this Lease shall not prevent a prior or subsequent act, which would have originally constituted a violation, from having the effect of an original violation. Any waiver by a party of any breach or default by the other must be in writing and will be effective only to the extent specifically set forth in that writing.

30.10. **Headings**. The headings in this Lease are inserted for convenience and identification only and are not intended to describe, interpret, define or limit the scope, extent or intent of this Agreement or any of its provisions.

30.11. **Severability**. Every provision of this Lease is intended to be severable. If any term or provision is illegal or invalid for any reason whatsoever, that illegality or invalidity shall not affect the validity of the remainder of the Lease.

30.12. **Governing Law/Jurisdiction**. This Agreement shall be governed by its terms and the laws of the State of North Carolina. The parties agree that this Agreement shall be deemed executed and completed in North Carolina, that this Agreement shall be performed in North Carolina, and, except where arbitration is specifically provided for in this Lease, that the courts of North Carolina shall have exclusive jurisdiction over any disputes as to the terms of this Agreement. By the signatures below, the parties consent to the exclusive, personal jurisdiction by the courts of North Carolina and further, waive any objection thereto. Venue shall be Wake County, North Carolina.

30.13. **Time**. Time is of the essence in connection with each and every provision of this Lease. If any time period under this Lease ends on a Saturday, Sunday, or any day on which the state courts of Durham County, North Carolina are closed, that time period shall be extended until the next business day.

31. **ADDITIONAL LEASE PROVISIONS**. Additional provisions of this Lease are contained in the Schedules attached which are incorporated by this reference. These additional provisions shall control if in conflict with any of the foregoing provisions of this Lease.

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

LANDLORD:

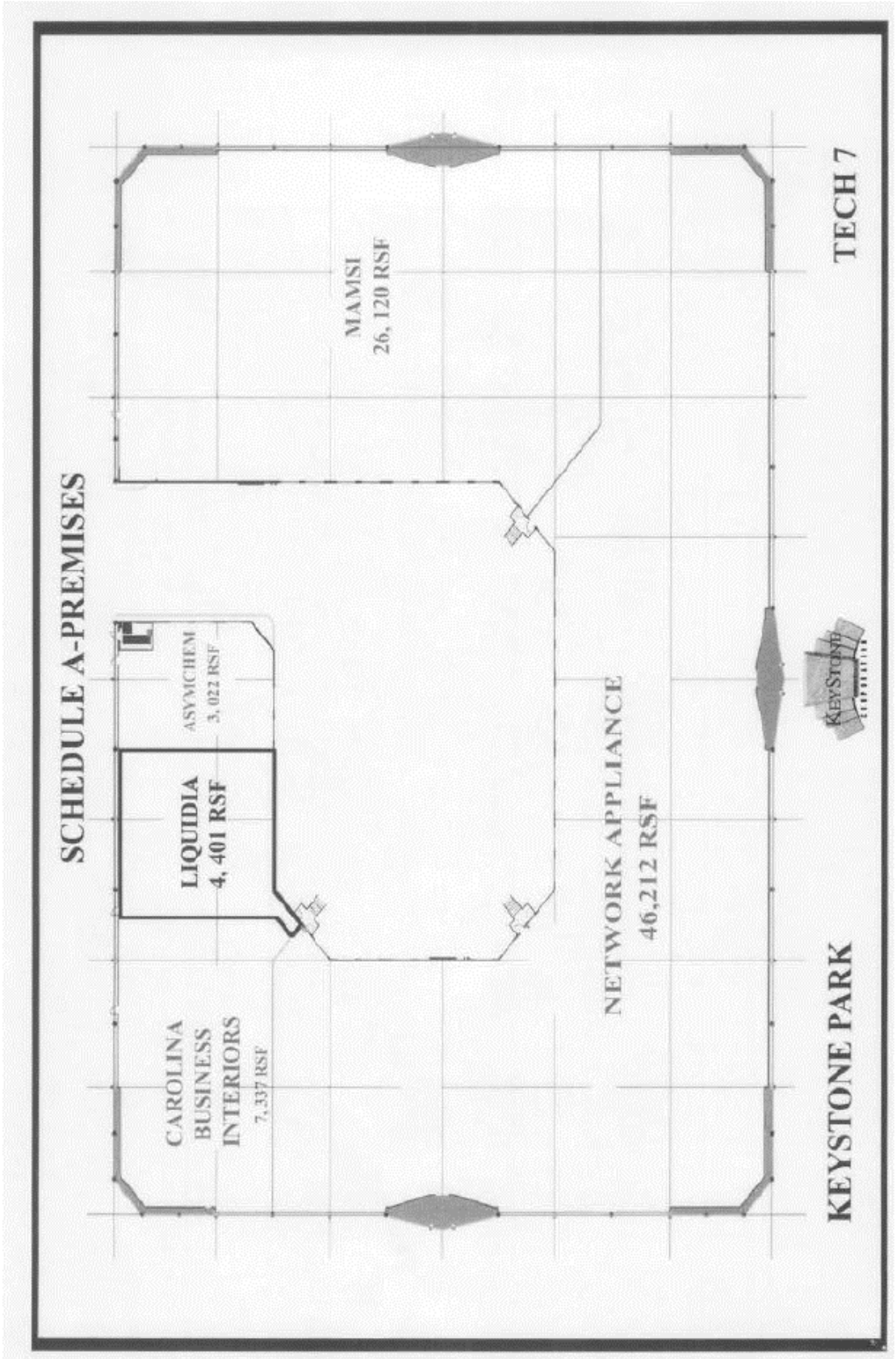
TECHNOLOGY VII-IX, LLC
a North Carolina limited liability company

By: /s/ [illegible]
Manager

TENANT:

LIQUIDIA TECHNOLOGIES, INC.,
a Delaware corporation

By: /s/ Bruce Boucher
Name/Title: Bruce Boucher; President



SCHEDULE B
LANDLORD IMPROVEMENTS
(Technology VII Building)

Building Size:

- 87,269 SF gross (drip line to drip line)
- 83,260 SF net useable space
- Clear ceiling height 16’-0

Site work:

- Clear and grade

- Storm drainage
- Water and sewer
- Curb & gutter and asphalt pavement
- Turn-down walks at perimeter of building pavement

Building Elevations:

- 9’-0 high storefronts with 1’ -6 high exterior drywall (texture paint) header
- Architectural Spandrel Panels which are ¾” deep
- Drywall soffits
- Scuppers and downspouts
- Overall height of the building is +21’
- Spandrel panels are texture painted
- Round (1’ -6”) concrete columns with texture painted finish

Floor Slab Foundations:

- Footings are l’-0 below finish floor
- Lug at storefronts are l’-4” deep and l’-0 wide
- 5” slab with a 4” stone base
- All concrete is 3,000 PSI
- Soil treatment is included
- 6 x 6 10/10 wire mesh
- All control joints are saw cut
- No joint filler
- No floor sealer
- 4’-0 wide x 1 2” thick perimeter insulation

Architectural Tilt Panels:

- Panels are 5 1/2” thick concrete (3,000 PSI)
- Reinforced with steel
- ¾” deep reveals
- All panels are textured finish
- All panel joints are caulked

Structural and Miscellaneous Steel:

- Joist and girder roof support
- Tubular columns
- Type >B primer painted, roof deck
- Tilt panels are load bearing
- 1 ea roof access ladder
- Dock stairs
- All structural design is included for foundations, slab, columns, tilt panels and structural steel.
- Dumpster enclosure is included
- Pipe bollards

Roofing:

- Roof insulation to be 2” - R=14.3, Polyisocyanurate loose laid over metal deck
- Ballasted (stone #4) 0.045 black EPDM system
- 10 year manufacturers warranty
- Parapet walls to have termination bar
- Sheet metal to be mill finished aluminum
- All panel joints will be caulked on both sides (standard caulk color)

Door:

- 3 x 7 Hollow Metal Doors with standard hardware
- Dock bumpers

Storefront System:

Glass:

- 1/4” LOF blue-green tempered indoors
- 1” LOF blue-green insulated

Aluminum Frames:

- 2” X 4 1/2” thermal
- Clear Anodized finish

Storefront doors:

- Head receptor for top of storefront
- Factonr thermally broken pan flashing for bottom of storefront system

Drywall and Framing:

- Head of window (l'-6) and soffits to have meral framing and exterior drywall
- Drywall to be textured painted
- Insulation in head framing and on soffit
- Drywall and metal framing includes the soffit, fascia, riser room only Painting:
- Exterior panels and columns to have one coat Triko-Plex coarse texture
- All hollow metal is painted
- Downspouts and scupper heads to have two coats exterior enamel

Plumbing:

- 6" sewer trunk line
- Piping to be schedule 40 PVC - DWC
- 1 ea. 2" domestic feeder lines stubbed from 5'-0 outside and run around exterior building perimeter
- 2 ea. wall hydrants

HVAC:

- Not included

Sprinkler:

- Starting at l'-0 above finish floor
- 2 ea. wet pipe systems
- Ordinary hazard systems throughout
- Water supply based on:
- Static- 125 PSI
- Residual - 100 PSI
- Flow 1800GPM

Electrical:

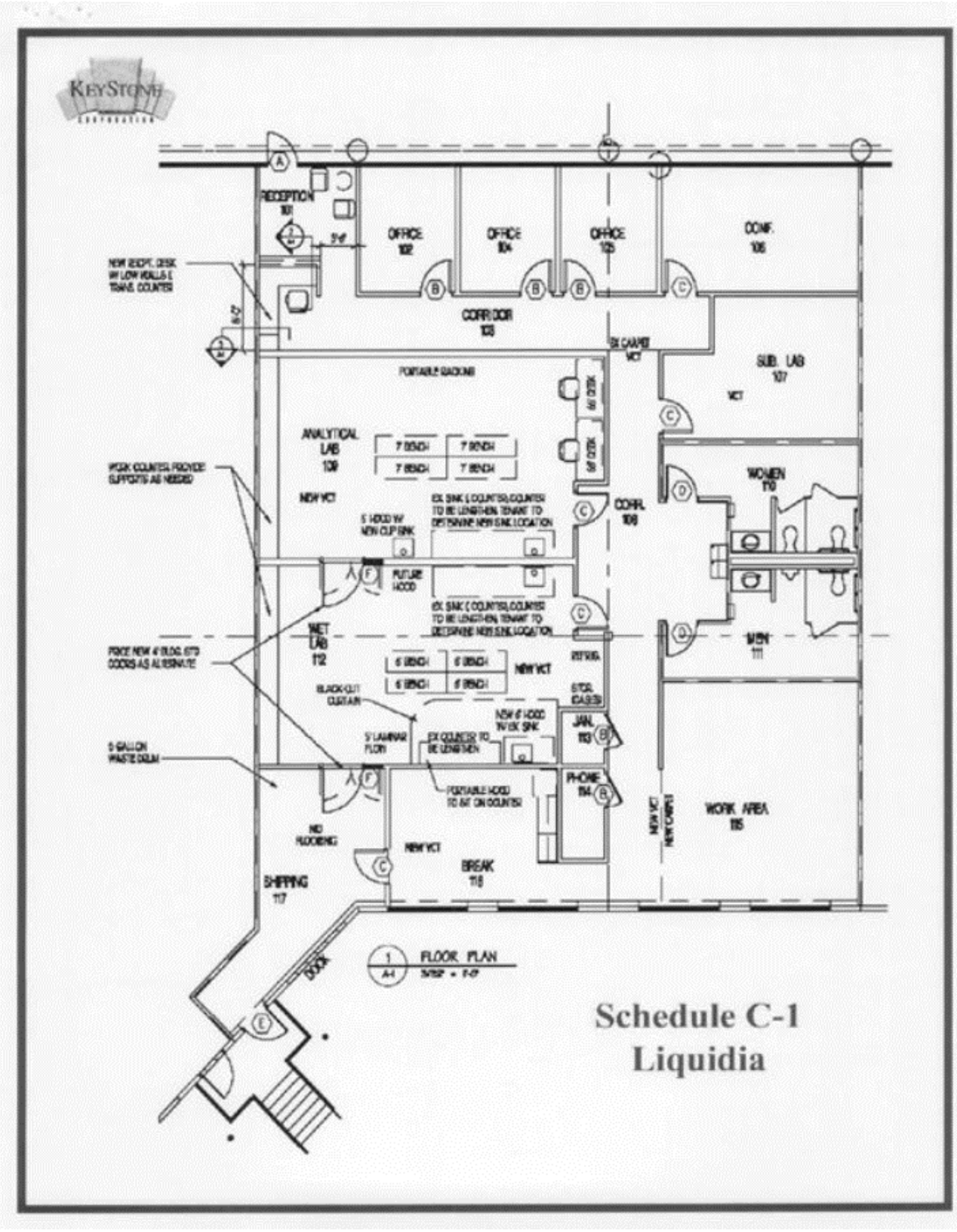
- 2 ea. electrical gutters
- 200 amp house panel (480 volt)

- Soffit lights
- Alarm system with dialer
- 4" PVC conduits for telephone to property line
- 1 ea. 15 KVA dry type transformer
- 400 watt exterior wallpacks
- Exterior up-lights
- 1 ea. quad light
- Exit lights
- Emergency lights
- Exterior lights controlled by time clock
- Design included

SCHEDULE C
ADDITIONAL TENANT IMPROVEMENTS

The Plans and Specifications for the Additional Tenant Improvements shall be mutually approved by the parties (which approval shall not be unreasonably withheld, delayed, or conditioned). A copy of the approved Plans and Specifications for the Additional Tenant Improvements shall be initialed by each party and attached to this Lease subsequent to its execution by the parties. If, despite reasonable efforts, the parties are unable to agree on the Plans and Specifications within thirty (30) days after the Execution Date, either party may terminate this Lease by giving Landlord written notice of termination to the other.

Prior to the Commencement Date: (i) Landlord will provide carpet, VCT and paint and other repairs as specified in the construction quote provided by Spec Con General Contractors as dated March 8, 2005, the total amount of which is estimated to be $8,293.00; and (ii) Landlord shall repair and replace the missing water heater pan drain line on the lavatory drain in the women's restroom.



SCHEDULE D
BASE RENT SCHEDULE

LEASE PERIOD (Mos.)*	INSTALLMENT AMOUNT**	PAYMENT AMOUNT**
01 - 03	$3,850.88/mo.	$ 0.00/mo.
04 - 15	$3,850.88/mo.	$3,850.88/mo.
16 - 27	$3,966.40/mo.	$3,966.40/mo.
28 - 39	$4,085.39/mo.	$4,085.39/mo.
40 - 51	$4,207.96/mo.	$4,207.96/mo.
52 - 63***	$4,334.19/mo.	$4,334.19/mo.
64 — 75	$4,464.22/mo.	$4,464.22/mo.
76 - 87	$4,598.15/mo.	$4,598.15/mo.

** The "Lease Periods " are calculated from the end of the Interim Period, if any, and if none, from the Commencement Dale. Base Rent for each day of the Interim Period, if any, shall be the Per Diem Rate.*

*** The Installment Amounts reflect the stated amount of Base Rent payment to be paid by Tenant each month of the Term and the Payment Amounts reflect the actual amount of Base Rent payment to be paid by Tenant each month of the Term after factoring in the rent abatement agreed to by the parties (collectively, the "Free Rent"). This Free Rent is being given by Landlord in anticipation that Tenant remain in possession of the Premises for the entire original Term and faithfully fulfill its obligations, as Tenant, under the Lease. In the event Tenant defaults under the Lease, which is not timely cured as provided, prior to the expiration of the entire original Term, then a proportional amount of the Free Rent shall be deemed forfeited and Landlord shall be entitled to recover that forfeited amount from Tenant, in addition to other rights and remedies available to it. The forfeited amount of the Free Rent shall be calculated by multiplying the Free Rent by a fraction, the numerator being the number of months remaining in the original Term as of the date of the Tenant default and the denominator being the total number of months in the original Term.*

***(Note: Rent beyond this Lease Period is applicable only if Tenant timely and properly exercises the Renewal Option (as later defined).)*

SCHEDULE E
CONSTRUCTION SCHEDULE

Landlord shall use commercially reasonable efforts to cause the Additional Tenant Improvements to be "Substantially Completed" by the Target Commencement Date and, in any event, by the Outside Commencement Date. The parties, however, acknowledge that delays attributable to Tenant before execution of this Lease will prevent Landlord from "Substantially Completing" the Additional Tenant Improvements by the Commencement Date. Each of these dates shall automatically be extended for the following (the "Permitted Delays"): (a) Tenant delays (including, but not limited to, Tenant's failure to provide Landlord with every thing reasonably necessary to enable Landlord to complete the construction drawings for the Premises by the Construction Drawings Completion Date, Tenant's failure to meet the Budget Approval Date, and Tenant change orders); (b) each day in excess of three (3) weeks, after Landlord s application, that it takes to obtain the building permits; and (c) delays in construction caused by weather. If Landlord fails to meet the Outside Commencement Date, other than because of the Permitted Delays, Tenant shall have the right to terminate this Lease upon giving Landlord written notice of termination at any time prior to its taking possession of the Premises.

SCHEDULE F
SATELLITE ANTENNA

Subject to the terms of this Schedule, during the Term Tenant shall have the right to install and operate on the roof of the Building (the "Roof), and connect to its Premises, a microwave, satellite or other antenna communications system that transmits or receives signals to or from other communications installations located off-site (the "Satellite Antenna"). The Tenant's rights to install and operate the Satellite Antenna are expressly subject to the following conditions:

(a) Tenant shall give Landlord not less than thirty (30) days' advance written notice of Tenant's intent to exercise its rights under this Schedule. The notice shall include the plans and specs for the construction and location of the Satellite Antenna, which shall be subject to Landlord's prior approval. As a condition of its approval, Landlord may, in its discretion, require Tenant, at Tenant's sole expense, to adequately screen the Satellite Antenna from view (the design of the screening to be subject to Landlord's prior written approval). The installation (including all structural reinforcement, framing and waterproofing) shall be performed subject to the provisions of ***Section 7*** of this Lease and shall not, in any event, violate or vitiate any warranties relating to the Roof.

(b) Tenant, at its expense, shall be solely responsible for the installation, operation, and maintenance of the Satellite Antenna and any required screening and for obtaining and maintaining all operating permits and governmental approvals and otherwise complying with all applicable legal requirements (including any requirements of the Federal Communications Commission) relating to the Satellite Antenna. Tenant shall also promptly repair any damage to the Roof, Building, Common Areas and/or Premises caused by the installation, operation or maintenance of the Satellite Antenna.

(c) The Satellite Antenna shall remain Tenant's property throughout the Term and Tenant shall maintain full replacement value insurance to protect its interest. Tenant shall also be responsible for any additional insurance and/or increase in insurance premiums incurred by Landlord as a result of the installation of the Satellite Antenna.

(d) Tenant's access to the Roof shall be subject to such reasonable conditions imposed by Landlord.

(e) Tenant's rights under this Schedule shall not interfere with the use or operation (including the reception and transmission of signals) of other satellite antenna, microwave dishes or other communications equipment previously installed on the Roof or otherwise interfere with the other tenants use of their respective premises.

(f) Landlord, at its expense (except where necessitated by any applicable legal requirement or governmental authority, where it will be Tenant's expense), shall have the right, on not less than five (5) days prior written notice (except in the event of an emergency, in which event no notice shall be required) to relocate the Satellite Antenna; provided the reception of communication transmissions shall not be of any material lesser quality because of such relocation. Tenant shall cooperate with Landlord in all reasonable respects relating to any such relocation.

(g) Upon termination of the Lease, Tenant, at its sole expense, shall remove the Satellite Antenna and any related conduits and cables and repair any resulting damage to the Roof, Building, Common Areas and/or Premises (whether caused by installation or removal). This obligation shall survive a termination of the Lease.

(h) The rights granted under this Schedule are not separately assignable; but may only be assigned in connection with a permitted assignment of this Lease.

Whenever Landlord's consent or approval is required under this Schedule, Landlord agrees that such consent shall not be unreasonably withheld, conditioned or delayed.

SCHEDULE G
RULES AND REGULATIONS

Tenant shall faithfully observe and comply with the following Rules and Regulations. Landlord shall not be responsible to Tenant for the nonperformance of any of said Rules and Regulations by or otherwise with respect to the acts or omissions of any other tenants or occupants of the land.

1. Tenant shall not alter any lock or install any new or additional locks or bolts on any doors or windows of the Premises without obtaining Landlord's prior written consent. Tenant shall bear the cost of any lock changes or repairs required by Tenant. Two keys will be furnished by Landlord for the Premises, and any additional keys required by Tenant must be obtained from Landlord at a reasonable cost to be established by Landlord or, at Tenant's option, obtained by Tenant at Tenant's expense.

2. All doors opening to public corridors shall be kept closed at all times except for normal ingress and egress to the Premises. The foregoing sentence shall not be applicable to doors of the Building that are entirely contained within the Premises.

3. Landlord reserves the right to close and keep locked all entrance and exit doors of the Building during such hours as are customary for comparable buildings. Tenant, its employees, and agents must be sure that the doors to the Building are securely closed and locked when leaving the Premises if it is after the normal hours of business for the Building. Any tenant, its employees, agents, or any other persons entering or leaving the Building at any time when it is so locked, or any time when it is considered to be after normal business hours for the Building, may be required to sign the Building register. Access to the Building may be refused unless the person seeking access has proper identification or has a previously arranged pass for access to the Building. Landlord and its agents shall in no case be liable for damages for any error with regard to the admission to or exclusion from the Building of any person. In case of invasion, mob, riot, public excitement, or other commotion, Landlord reserves the right to prevent access to the Building or the land during the continuance thereof by any means it deems appropriate for the safety and protection of life and property.

4. All moving activity into or out of the Building and all construction activity shall be scheduled with Landlord and done only at such time and in such manner as Landlord designates. Landlord shall have the right to prescribe the weight, size and position of all safes and other heavy property brought into the Building and also the times and manner of moving the same in and out of the Building. Safes and other heavy objects shall, if considered necessary by Landlord, stand on supports of such thickness as is necessary to properly distribute the weight. Landlord will not be responsible for loss of or damage to any such safe or property in any case. Any damage to any part of the Building, its contents, occupants or visitors by moving or maintaining any such safe or other property shall be the sole responsibility and expense of Tenant.

5. No furniture, packages, supplies, equipment or merchandise will be received in the Building or carried up or down in the elevators, except between such hours and in such specific elevator as shall be designated by Landlord.

6. The requirements of Tenant will be attended to only upon application to the Managing Agent or at such other entity designated by Landlord. Employees of Landlord shall not perform any work or do anything outside their regular duties unless under special instructions from Landlord.

7. Tenant shall not disturb, solicit, or canvass any occupant of the Building and shall cooperate with Landlord and its agents of Landlord to prevent the same.

8. The toilet rooms, urinals, wash bowls and other apparatus shall not be used for any purpose other than that for which they were constructed, and no foreign substance of any kind whatsoever shall be thrown therein. The expense of any breakage, stoppage or damage resulting from the violation of this rule shall be borne by the tenant who, or whose employees or agents, shall have caused it.

9. Tenant shall not overload (i.e., exceed 150 pounds per sq. ft.) the floor of the Premises. Except for the installation of customary pictures, white boards, and similar wall hangings, Tenant shall not mark, drive nails or

---

screws, or drill into the partitions, woodwork or plaster or in any way deface the Premises or any part thereof without Landlord's prior written consent.

10. Except for a reasonable number vending machines intended for the sole use of Tenant's employees and invitees, no vending machine or machines other than fractional horsepower office machines shall be installed, maintained or operated upon the Premises without the written consent of Landlord.

11. Except as reasonably required in connection with Tenant's customary operations and then only in accordance with all applicable governmental rules and regulations, Tenant shall not bring, use, or store in or on the Premises or the Building any kerosene, gasoline or other inflammable or combustible fluid or material or any hazardous or toxic materials, or any other materials or substances that might pose a health or safety risk. Tenant shall not bring, or permit any of its employees or agents to bring, firearms, ammunition or other weapons upon the Premises or the Building.

12. Tenant shall not without the prior written consent of Landlord use any method of heating or air conditioning other than that supplied by Landlord.

13. Except as reasonably required in connection with Tenant's customary operations and then only in accordance with all applicable governmental rules and regulations, Tenant shall not use, keep or permit to be used or kept, any foul or noxious gas or substance in or on the Premises. Tenant shall not permit or allow the Premises to be occupied or used in a manner offensive or objectionable to Landlord or other occupants of the Building by reason of noise, odors, or vibrations, or interfere in any way with other tenants or those having business therein. Landlord shall have the right to prohibit the smoking of any tobacco products in the Building, including the Premises, and may, without any obligation to do so, designate exclusive areas for the smoking of tobacco products.

14. Except for animals assisting the handicapped, Tenant shall not bring into or keep within the Building or the Premises any animals, birds, bicycles or other vehicles.

15. Except for microwave cooking for the personal use of Tenant's employees, no cooking shall be done or permitted on the Premises, nor shall the Premises be used for the storage of merchandise, for lodging or for any improper, objectionable or immoral purposes. Notwithstanding the foregoing, Underwriters' Laboratory-approved equipment and microwave ovens may be used in the Premises for heating food and brewing coffee, tea, hot chocolate and similar beverages for employees and visitors, provided that such use is in accordance with all applicable federal, state and city laws, codes, ordinances, rules and regulations.

16. Landlord will approve where and how telephone and telecommunication wiring and cabling are to be introduced to the Premises. No boring or cutting for wires shall be allowed without the consent of Landlord. The location of telephone, call boxes and other office equipment affixed to the Premises shall be subject to the approval of Landlord.

17. Landlord reserves the right to exclude or expel from the Building and Common Areas any person who, in the judgment of Landlord, is intoxicated or under the influence of liquor or drugs, or who shall in any manner do any act in violation of any of these Rules and Regulations.

18. Tenant, its employees and agents shall not loiter in or on the entrances, corridors, sidewalks, lobbies, halls, stairways, elevators, or any common areas of the Building for the purpose of smoking tobacco products or for any other purpose, nor in any way obstruct such areas, and shall use them only as a means of ingress and egress for the Premises.

19. Tenant shall store all its trash and garbage within the interior of the Premises. No material shall be placed in the trash boxes or receptacles if such material is of such nature that it may not be disposed of in the ordinary and customary manner of removing and disposing of trash in the vicinity of the Building without violation of any law or ordinance governing such disposal. All trash, garbage and refuse disposal shall be made only through entry-ways and elevators provided for such purposes at such times as Landlord shall designate. If the Premises is or becomes infested with vermin as a result of the use or any misuse or neglect of the Premises by Tenant, its agents, servants, employees, contractors, visitors or licensees, Tenant shall forthwith, at Tenant's expense, cause the

Premises to be exterminated from time to time to the satisfaction of Landlord and shall employ such licensed exterminators as shall be approved in writing in advance by Landlord.

20. Tenant shall comply with all safety, fire protection and evacuation procedures and regulations established by Landlord or any governmental agency.

21. Tenant shall assume any and all responsibility for protecting the Premises from theft, robbery and pilferage, which includes keeping doors locked and other means of entry to the Premises closed.

22. No awnings or other projection shall be attached to the outside walls of the Building without the prior written consent of Landlord. No curtains, blinds, shades or screens shall be attached to or hung in, or used in connection with, any window or door of the Premises without the prior written consent of Landlord. All electrical ceiling fixtures hung in offices or spaces along the perimeter of the Building must be fluorescent and/or of a quality, type, design and bulb color approved by Landlord. Tenant shall abide by Landlord's regulations concerning the opening and closing of window coverings which are attached to the windows in the Premises, if any, which have a view of any interior portion of the Building or the common areas of the Building.

23. The sashes, sash doors, skylights, windows, and doors that reflect or admit light and air into the halls, passageways or other public places in the Building shall not be covered or obstructed by Tenant, nor shall any bottles, parcels or other articles be placed on the window sills.

24. Tenant must comply with requests by Landlord concerning the informing of their employees of items of importance to Landlord.

25. Tenant shall not use in any space or in the public halls of the Building any hand trucks except those equipped with rubber tires and side guards or such other material-handling equipment as Landlord may approve. Tenant shall not use or permit the use of "hard tire" trucks in the Premises or Building. Tenant shall not bring any other vehicles of any kind into the Building. Notwithstanding the preceding to the contrary, Tenant shall be permitted to bring bicycles, mopeds and scooters into the storage areas within the Premises (accessed through the loading docks only) for the purpose of daily storage of Tenant's employees' alternative means of transportation.

26. Without the written consent of Landlord, Tenant shall not use the name or a likeness of the Building in connection with or in promoting or advertising the business of Tenant except as Tenant's address; provided, however, that Tenant shall be permitted to use the name or a likeness of the Building for providing directions on a website or similar material or a limited scope picture for marketing purposes in the usual course of business that includes only the Premises.

Subject to the terms of the Lease, Landlord reserves the right at any time to change or rescind any one or more of these Rules and Regulations, or to make such other and further reasonable Rules and Regulations as in Landlord's judgment may from time to time be necessary for the management, safety, care and cleanliness of the Premises, Building, and the land, and for the preservation of good order therein, as well as for the convenience of other occupants and tenants therein. Landlord may waive any one or more of these Rules and Regulations for the benefit of any particular tenants, but no such waiver by Landlord shall be construed as a waiver of such Rules and Regulations in favor of any other tenant, nor prevent Landlord from thereafter enforcing any such Rules or Regulations against any or all tenants of the Building. Tenant shall be deemed to have read these Rules and Regulations and to have agreed to abide by them as a condition of its occupancy of the Premises. Whenever Landlord's consent is required under this Schedule, Landlord agrees that such consent shall not be unreasonably withheld, conditioned or delayed.

SCHEDULE H
RENEWAL OPTION

Provided Tenant complies with all terms and conditions of the Lease and is not, at the time of exercise, in default beyond any applicable cure period (provided that any default still within the cure period is subsequently cured within the applicable cure period), Tenant shall have an option to renew the Lease (the "Renewal Option"), for an additional two (2) years (the "Renewal Term"). The Renewal Term shall be on the same terms and conditions of this Lease, including the Base Rent as provided in Schedule D. If Tenant elects to exercise the Renewal Option, it shall give written notice to Landlord at least two hundred seventy (270) days prior to the Expiration Date. Provided the Renewal Option has been properly exercised, wherever the term "Term" appears in this Lease, it shall include the Renewal Term and the Expiration Date shall be extended for the length of the Renewal Term. This Renewal Option is personal to the original Tenant and shall automatically expire on an assignment of this Lease or a subletting of the Premises by the original Tenant, other than as permitted under ***Section 15.6*** of this Lease.

SCHEDULE I
EARLY TERMINATION RIGHTS

Notwithstanding anything in the Lease to the contrary, upon not less than one years' advance written notice to Landlord (the "Termination Notice") and payment to Landlord of the Termination Fee (as defined below), Tenant shall have the absolute right to terminate this Lease as of the end of the thirty-sixth (36th) month of the Term (the "Termination Date"). For the Termination Notice to be effective, the Termination Notice must specify the Termination Date (by which the Tenant must have completely vacated the Premises) and be accompanied by the Termination Fee. The provisions of ***Sections 14 & 29*** shall nevertheless apply to a termination pursuant to the above. The right under this Schedule is personal to the original Tenant under this Lease, is not assignable to any third parties under any circumstances, and shall automatically expire on an assignment of this Lease or a subletting of the Premises by the original Tenant.

For purposes of this Lease, the "Termination Fee" shall mean the sum of the then-unamortized portion of the: (i) the Tenant Upfit Allowance, (ii) the Free Rent, and (iii) the broker commissions paid by Landlord to the Brokers as a result of this Lease (not, in the aggregate to exceed 6%). For purposes of determining the Termination Fee: (a) the Tenant Upfit Allowance, the Free Rent, and the broker commissions shall be amortized over a period of sixty (60) months commencing three (3) months after the end of the Interim Period, if any, or, if none, after the Commencement Date; (b) the unamortized amount shall be calculated as of the Termination Date; and (c) an interest rate of eight percent (8%) shall be used.

STATE OF NORTH CAROLINA

DURHAM COUNTY LEASE MODIFICATION AGREEMENT NO. 1

THIS LEASE MODIFICATION AGREEMENT NO. 1 (this "Agreement") is made and entered into as of this day of , 2010 (the "Execution Date"), by and between **GRE Keystone Technology Park Two LLC**, a Delaware limited liability company authorized to conduct business in the State of North Carolina ("Landlord") and successor by acquisition of Technology VII-IX, LLC, a North Carolina limited liability company, and **Liquidia Technologies, Inc.**, a Delaware corporation authorized to conduct business in the State of North Carolina ("Tenant").

WITNESSETH:

WHEREAS, Technology VII-IX, a North Carolina limited liability company ("Technology VII-IX") and Tenant entered into that certain Lease Agreement with an Execution Date of April 14, 2005 (the "Lease"), pursuant to which Tenant leased approximately 4,401 rentable square feet (the "Premises") in the building known as Technology VII, Keystone Technology Park and located at 627 Davis Drive, Durham, North Carolina 27713 (the "Building"). (The Lease is incorporated herein by reference in its entirety. Any capitalized term used and not otherwise defined herein shall have the meaning ascribed to it in the Lease.); and

WHEREAS, on or about January 31, 2006, Landlord acquired all of the right, title and interest in and to the Lease from Technology VII-IX; and

WHEREAS, the Lease Term Sheet sets forth an Expiration Date of sixty-three months from the Commencement Date (*i.e*, August 31, 2010); and

WHEREAS, Schedule H of the Lease (Renewal Option) sets forth an option for Tenant to renew the Term of the Lease for two (2) additional years, upon the terms and conditions contained therein, and Tenant has exercised its Renewal Option; and

WHEREAS, Landlord and Tenant desire to amend the Lease by extending the Term of the Lease for two(2) years as set forth in the Lease, upon the terms and conditions contained herein.

NOW, THEREFORE, in consideration of the premises, rent, mutual covenants and conditions contained herein, and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, Landlord and Tenant hereby agree as follows:

1. Landlord Name. The Lease is hereby amended to modify Landlord's name to be "GRE Keystone Technology Park Two LLC, a Delaware limited liability company". The reference in the Lease Term Sheet and the Lease with respect to "Technology VII-IX, LLC a North Carolina limited liability company" shall hereafter mean "GRE Keystone Technology Park Two LLC, a Delaware limited liability company". In addition, the references to Landlord's address as set forth in the Lease Term Sheet and Lease are hereby changed to the following:

Landlord's name and address **except for** rental payments:
GRE Keystone Technology Park Two LLC
c/o Capital Associates
1255 Crescent Green, Suite 300
Cary, NC 27518

Landlord's name and address **for rental payments:**
GRE Keystone Technology Park Two LLC
P.O. Box 277346
Atlanta, GA 30384-7346

2. Lease Term Sheet. Effective as of the Execution Date, the Lease is hereby extended for a period of two (2) years. The time period from September 1, 2010, through August 31, 2012, is hereby deemed to be the

"Renewal Term". Effective as of the Execution Date, the Lease and the Lease Term Sheet are hereby amended by changing the Expiration Date of the Lease to be "August 31, 2012".

3. Base Rent. Landlord and Tenant specifically acknowledge and agree that the Base Rent during the Renewal Term shall not be as set forth in Schedule D of the Lease (Base Rent Schedule) but shall be reset to equal Ten Dollars ($10.00) per square foot, per annum with regard to months 64 through 75 of the Term (*i.e.*, $3,667.50 per month or $44,010.00 annually) and Ten Dollars and Thirty Cents ($10.30) per square foot, per annum for months 76 through 87 of the Term (*i.e.*, $3,777.53 per month or $45,330.36 annually), and Schedule D and the Lease are amended accordingly. In addition to the foregoing, Tenant shall continue to be liable for all Additional Rent during the Renewal Term, as set forth in the Lease.

4. Tenant Improvements. Tenant hereby expressly acknowledges and agrees that Landlord is not and shall not be obligated to Tenant to provide any improvements or other changes to the Premises prior to or during the Renewal Term.

5. Renewal Option. Effective as of the Execution Date, Tenant has renewed the Term of the Lease as set forth herein and therefore, the Renewal Option set forth in Schedule H of the Lease is no longer of any force or effect, and the Lease is amended accordingly.

6. Brokerage/Indemnification. Landlord and Tenant each represent to the other that they, respectively, have had no dealings with any real estate broker or agent in connection with the negotiation of this Agreement except for Capital Associates Management, LLC, Landlord's broker, and Cassidy Turley, Tenant's broker, and that they, respectively, know of no other real estate broker or agent who is entitled to a commission or finder's fee in connection with this Agreement. Each party shall indemnify, protect, defend and hold harmless the other party against all claims, demands, losses, liabilities, lawsuits, judgments, and costs and expenses (including, but not limited to, reasonable attorneys' fees) for any leasing commission, finder's fee or equivalent compensation alleged to be owed on account of dealings with any other than the above-stated real estate brokers by the party from whom indemnification is sought. Landlord shall pay the commissions or fees due with respect to the extension of the Term as set forth herein to the above-stated Landlord's broker. Landlord's broker shall then pay Tenant's broker.

7. Affirmation of Lease. Except as expressly modified herein, the original terms and conditions of the Lease shall remain in lull force and effect.

8. Binding Agreement. Upon execution by Tenant, this Agreement shall be binding upon Tenant, its legal representatives and successors, and, to the extent assignment may be approved by Landlord hereunder, Tenant's assigns. Upon execution by Landlord, this Agreement shall be binding upon Landlord, its legal representatives, successors and assigns. This Agreement shall inure to the benefit of Landlord and Tenant, and their respective representatives, successors and permitted assigns.

9. Counterparts. This Agreement may be executed in any number of counterparts, each of which shall be an original, but all of which taken together shall constitute one and the same instrument.

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

LANDLORD:
GRE Keystone Technology Park Two LLC, a Delaware limited liability company

By: GRE Keystone Technology Park Holdings LLC, a Delaware limited liability company, its Sole Member

By: Capital Associates Management, LLC, a North Carolina limited liability company, acting as Investment Manager for GRE Keystone Technology Park Holdings LLC

By: /s/ Stephen P. Porterfield
Stephen P. Porterfield, Delegate Manager

TENANT:
Liquidia Technologies, Inc., a Delaware corporation

By: /s/ Bruce W. Boucher
Name: Bruce W. Boucher
Title: President

SECOND AMENDMENT TO LEASE AGREEMENT

THIS SECOND AMENDMENT TO LEASE AGREEMENT (this "***Amendment***") is entered into between **LCFRE KEYSTONE TECHNOLOGY PARK, L.P.**, a Delaware limited partnership ("***Landlord***"), and **LIQUIDIA TECHNOLOGIES, INC.**, a Delaware corporation ("***Tenant***" with reference to the following:

A. Technology VII-IX, LLC (predecessor-in-interest to Landlord) and Tenant entered into that certain Lease Agreement dated April 14, 2005; GRE Keystone Technology Park Two LLC and Tenant entered into that certain Lease Modification Agreement No. 1 dated June 11, 2010 (as amended, the "***Lease***"), covering approximately 4,401 rentable square feet known as Suite 500 (the "***Premises***") of Keystone Technology Park Building VII. 627 Davis Drive, Durham, North Carolina (the "***Building***").

B. Landlord and Tenant now desire to further amend the Lease as set forth below. Unless otherwise expressly provided in this Amendment, capitalized terms used in this Amendment shall have the same meanings as in the Lease.

FOR GOOD AND VALUABLE CONSIDERATION, the receipt and sufficiency of which are acknowledged, the parties agree as follows:

1. **Second Extension Period**. The term of the Lease is extended for a period of approximately 12 months (the "***Second Extension Period***") commencing on September 1, 2012, and expiring on August 31, 2013. Tenant acknowledges that it has no further renewal, expansion or similar rights or options under the Lease, all of which are hereby deleted and of no further force and effect.

2. **Base Rent**. Commencing on September 1, 2012 and continuing through the Second Extension Period. Tenant shall, at the time and in the manner provided in the Lease, pay to Landlord as Base Rent the amounts set forth in the following rent schedule, plus any applicable tax thereon:

FROM	THROUGH	RATE PER RSF	MONTHLY BASE RENT
September 1,2012	August 31.2013	$ 11.42*	$ 4,188.29

*Subject to **Section 5,** 50% of monthly Base Rent for the month of September 2012 shall abate.

3. **Additional Rent**. Tenant shall continue to pay Tenant's Proportionate Share of Expenses as set forth in **Section 4** of the Lease.

4. **Condition of Premises**. Tenant accepts the Premises in its "as-is" condition. Tenant acknowledges that Landlord has not undertaken to perform any modification, alteration or improvement to the Premises. **TENANT WAIVES (i) ANY CLAIMS DUE TO DEFECTS IN THE PREMISES; AND (ii) ALL EXPRESS AND IMPLIED WARRANTIES OF SUITABILITY, HABITABILITY AND FITNESS FOR ANY PARTICULAR PURPOSE**. Tenant waives the right to terminate the Lease due to the condition of the Premises.

5. **Abated Rent**. If this Amendment provides for a postponement of any Base Rent or payment of Operating Expenses, a period of "free" rent, reduced rent, early occupancy, or other rent concession, such postponed rent, "free" rent, reduced rent or other rent concession shall be referred to herein as the "***Abated Rent***". Tenant shall be credited with having paid all of the Abated Rent on the expiration of the Second Extension Period only if Tenant has fully, faithfully, and punctually performed all of Tenant's obligations hereunder, including the payment of all Base Rent and Operating Expenses (other than the Abated Rent) and all other monetary' obligations and the surrender of the Premises in the physical condition required by this Amendment. Tenant acknowledges that its right to receive credit for the Abated Rent is absolutely conditioned upon Tenant's full, faithful and punctual performance of its obligations under this Amendment. If an Event of Default shall occur, the Abated Rent shall immediately become due and payable in full and this Amendment shall be enforced as if there were no such rent abatement or other rent concession. In such case Abated Rent shall be calculated based on the Hill initial Base Rent payable under this Amendment.

6. **Consent**. This Amendment is subject to, and conditioned upon, any required consent or approval being unconditionally granted by Landlord's mortgagee(s). If any such consent shall be denied, or granted subject to an unacceptable condition, this Amendment shall be null and void and the Lease shall remain unchanged and in full force and effect.

7. **Broker**. Tenant represents and warrants that it has not been represented by any broker or agent in connection with the execution of this Amendment, except Cushman Wakefield/Thalimer. as Tenant's broker. Tenant shall indemnify and hold harmless Landlord and its designated property management, construction and marketing firms, and their respective partners, members, affiliates and subsidiaries, and all of their respective officers, directors, shareholders, employees, servants, partners, members, representatives, insurers and agents from and against all claims (including costs of defense and investigation) of any other broker or agent or similar party claiming by, through or under Tenant in connection with this Amendment.

8. **OFAC List Representation**. Tenant hereby represents and warrants to Landlord that neither Tenant nor any of its officers, directors, shareholders, partners, members or affiliates is or will be an entity or person: (a) that is listed in the annex to, or is otherwise subject to the provisions of Executive Order 13224 issued on September 24, 2001 ("***EO 13224***"): (b) whose name appears on the United States Treasury Department's Office of Foreign Assets Control ("***OFAC***") most current list of "Specifically Designated National and Blocked Persons" (which list may be published from time to time in various mediums including, but not limited to, the OFAC website, http:www.treas.gov/ofac/tl 1sdn.pdf); (c) who commits, threatens to commit or supports "terrorism," as that term is defined in EO 13224; or (d) who is otherwise affiliated with any entity or person listed above.

9. **Time of the Essence**. Time is of the essence with respect to Tenant's execution and delivery to Landlord of this Amendment. If Tenant fails to execute and deliver a signed copy of this Amendment to Landlord by 5:00 p.m. (in the city in which the Premises is located) on August 17, 2012, this

Amendment shall be deemed null and void and shall have no force or effect, unless otherwise agreed in writing by Landlord. Landlord's acceptance, execution and return of this Amendment shall constitute Landlord's agreement to waive Tenant's failure to meet such deadline.

10. **Miscellaneous**. This Amendment shall become effective only upon full execution and delivery of this Amendment by Landlord and Tenant. This Amendment contains the parties' entire agreement regarding the subject matter covered by this Amendment, and supersedes all prior correspondence, negotiations, and agreements, if any, whether oral or written, between the parties concerning such subject matter. There are no contemporaneous oral agreements, and there are no representations or warranties between the parties not contained in this Amendment. Except as modified by this Amendment, the terms and provisions of the Lease shall remain in full force and effect, and the Lease, as modified by this Amendment, shall be binding upon and shall inure to the benefit of the parties hereto, their successors and permitted assigns.

LANDLORD AND TENANT enter into this Amendment as of the Effective Date specified below Landlord's signature.

LANDLORD:

LCFRE DURHAM KEYSTONE TECHNOLOGY PARK, L.P., a Delaware limited partnership

By: LCFRE Durham Keystone Technology Park GP, LLC, a Delaware limited liability company, its general partner

By: /s/ Thomas P. Paterson
Name: Thomas P. Paterson
Title: Vice President

Effective Date: September 10, 2012

TENANT:

LIQUIDIA TECHNOLOGIES, INC., a Delaware corporation

By: /s/ Bruce Boucher
Name: Bruce Boucher
Title: CFO

THIRD AMENDMENT TO LEASE AGREEMENT

THIS THIRD AMENDMENT TO LEASE AGREEMENT (this "***Amendment***") is entered into between **LCFRE KEYSTONE TECHNOLOGY PARK, L.P.**, a Delaware limited partnership ("***Landlord***"), and **LIQUIDIA TECHNOLOGIES, INC.**, a Delaware corporation ("***Tenant***"), with reference to the following:

A. Technology VII-IX, LLC (predecessor-in-interest to Landlord) and Tenant entered into that certain Lease Agreement dated April 14, 2005; GRE Keystone Technology Park Two LLC and Tenant entered into that certain Lease Modification Agreement No. I dated June 11, 2010; and Landlord and Tenant entered into that certain Second Amendment to Lease Agreement dated September 10, 2012 (as amended, the "***Lease***"), covering approximately 4,401 rentable square feet known as Suite 500 (the "***Premises***") of Keystone Technology Park Building VII, 627 Davis Drive, Durham, North Carolina (the "***Building***").

B. Landlord and Tenant now desire to further amend the Lease as set forth below. Unless otherwise expressly provided in this Amendment, capitalized terms used in this Amendment shall have the same meanings as in the Lease.

FOR GOOD AND VALUABLE CONSIDERATION, the receipt and sufficiency of which are acknowledged, the parties agree as follows:

1. **Third Extension Period**. The term of the Lease is extended for a period of 14 months commencing on September 1, 2013, and expiring on October 31, 2014 (the "Third Extension Period"). Tenant acknowledges that it has no further renewal, expansion or similar rights or options under the Lease, all of which are hereby deleted and of no further force and effect.

2. **Base Rent**. Commencing on September 1, 2013 and continuing through the Third Extension Period, Tenant shall, at the time and in the manner provided in the Lease, pay to Landlord as Base Rent the amounts set forth in the following rent schedule, plus any applicable tax thereon:

FROM	THROUGH	RATE PER RSF	MONTHLY BASE RENT
September 1, 2013	August 31, 2014	$ 11.76*	$ 4,312.98
September 1, 2014	October 31, 2014	$ 12.11	$ 4,441.34

* Subject to **Section 5** below, 50% of monthly Base Rent for the month abate.

3. **Additional Rent**. Tenant shall continue to pay Tenant's Proportionate Share of Expenses as set forth in **Section 4** of the Lease.

4. **Condition of Premises**. Tenant accepts the Premises in its "as-is" condition. Tenant acknowledges that Landlord has not undertaken to perform any modification, alteration or improvement to the Premises. **TENANT WAIVES (i) ANY CLAIMS DUE TO DEFECTS IN THE PREMISES; AND (ii) ALL EXPRESS AND IMPLIED WARRANTIES OF SUITABILITY, HABITABILITY AND FITNESS FOR ANY PARTICULAR PURPOSE**. Tenant waives the right to terminate the Lease due to the condition of the Premises.

5. **Abated Rent**. If this Amendment provides for a postponement of any Base Rent or payment of Operating Expenses, a period of "free" rent, reduced rent, early occupancy, or other rent concession, such postponed rent, "free" rent, reduced rent or other rent concession shall be referred to herein as the "***Abated Rent***". Tenant shall be credited with having paid all of the Abated Rent on the expiration of the Third Extension Period only if Tenant has fully, faithfully, and punctually performed all of Tenant's obligations hereunder, including the payment of all Base Rent and Operating Expenses (other than the Abated Rent) and all other monetary obligations and the surrender of the Premises in the physical condition required by this Amendment. Tenant acknowledges that its right to receive credit for the Abated Rent is absolutely conditioned upon Tenant's full, faithful and punctual performance of its obligations under this Amendment. If an Event of Default shall occur, the Abated Rent shall immediately become due and payable in full and this Amendment shall be enforced as if there were no such rent abatement or other rent concession. In such case Abated Rent shall be calculated based on the full initial Base Rent payable under this Amendment.

6. **Consent**. This Amendment is subject to, and conditioned upon, any required consent or approval being unconditionally granted by Landlord's mortgagee(s). If any such consent shall be denied, or granted subject to an unacceptable condition, this Amendment shall be null and void and the Lease shall remain unchanged and in full force and effect.

7. **Broker**. Tenant represents and warrants that it has not been represented by any broker or agent in connection with the execution of this Amendment except Spectrum Properties as Landlord's representative and Cushman Wakefield Thalhimer as Tenant's representative. Tenant shall indemnify and hold harmless Landlord and its designated property management, construction and marketing firms, and their respective partners, members, affiliates and subsidiaries, and all of their respective officers, directors, shareholders, employees, servants, partners, members, representatives, insurers and agents from and against all claims (including costs of defense and investigation) of any other broker or agent or similar party claiming by, through or under Tenant in connection with this Amendment.

8. **OFAC List Representation**. Tenant hereby represents and warrants to Landlord that neither Tenant nor any of its officers, directors, shareholders, partners, members or affiliates is or will be an entity or person: (a) that is listed in the annex to, or is otherwise subject to the provisions of, Executive Order 13224 issued on September 24, 2001 ("***EO 13224***"); (b) whose name appears on the United States Treasury Department's Office of Foreign Assets Control ("***OFAC***") most current list of "Specifically Designated National and Blocked Persons" (which list may be published from time to time in various mediums including, but not limited to, the OFAC website, http:www.treas.gov/ofac/t11sdn.pdf); (c) who commits, threatens to commit or supports "terrorism," as that term is defined in EO 13224; or (d) who is otherwise affiliated with any entity or person listed above.

9. **Time of the Essence**. Time is of the essence with respect to Tenant's execution and delivery to Landlord of this Amendment. If Tenant fails to execute and deliver a signed copy of this Amendment to Landlord by 5:00 p.m. (in the city in which the Leased Premises is located) on August 9, 2013, this Amendment shall be deemed null and void and shall have no force or effect, unless otherwise agreed in writing by Landlord. Landlord's acceptance, execution and return of this Amendment shall constitute Landlord's agreement to waive Tenant's failure to meet such deadline.

10. **Miscellaneous**. This Amendment shall become effective only upon full execution and delivery of this Amendment by Landlord and Tenant. This Amendment contains the parties' entire agreement regarding the subject matter covered by this Amendment, and supersedes all prior correspondence, negotiations, and agreements, if any, whether oral or written, between the parties concerning such subject matter. There are no contemporaneous oral agreements, and there are no representations or warranties between the parties not contained in this Amendment. Except as modified by this Amendment, the terms and provisions of the Lease shall remain in full force and effect, and the Lease, as modified by this Amendment, shall be binding upon and shall inure to the benefit of the parties hereto, their successors and permitted assigns.

[Signatures to follow]

LANDLORD AND TENANT enter into this Amendment as of the Effective Date specified below Landlord's signature.

LANDLORD:

LCFRE DURHAM KEYSTONE TECHNOLOGY PARK, L.P., a Delaware limited partnership

By: LCFRE Durham Keystone Technology Park GP, LLC, a Delaware limited liability company, its general partner

By: /s/ Jane B. Page
Name: Jane B. Page
Title: COO

Effective Date: August 13, 2013

TENANT:

LIQUIDIA TECHNOLOGIES, INC., a Delaware corporation

By: /s/ Timothy Albury
Name: Timothy Albury
Title: CFO

FIFTH AMENDMENT TO LEASE AGREEMENT

THIS FIFTH AMENDMENT TO LEASE AGREEMENT (this "***Amendment***") is entered into between **DURHAM KTP TECH 7, LLC**, a Delaware limited liability company ("***Landlord'***), and **LIQUIDIA TECHNOLOGIES, INC.**, a Delaware corporation ("***Tenant***"), with reference to the following:

A. Technology VII-IX, LLC (predecessor-in-interest to Landlord) and Tenant entered into that certain Lease Agreement dated April 14, 2005, as amended by that certain Lease Modification Agreement No. 1 dated June 11, 2010, that certain Second Amendment to Lease dated September 10, 2012, that certain Third Amendment to Lease Agreement dated August 13, 2013, and that certain Fourth Amendment to Lease Agreement dated June 25, 2014 (as amended, the "***Lease***"), covering approximately 4,401 rentable square feet known as Suite 500 (the "***Premises***") of Keystone Technology Park Building VII, 627 Davis Drive, Durham, North Carolina (the "***Building***").

B. Landlord assigned its interest in the Lease to GRE Keystone Technology Park One LLC ("***GRE***"). GRE assigned its interest in the Lease to LCFRE Keystone Technology Park, L.P. which subsequently assigned its interest in the Lease to Landlord.

C. Landlord and Tenant now desire to further amend the Lease as set forth below. Unless otherwise expressly provided in this Amendment, capitalized terms used in this Amendment shall have the same meanings as in the Lease.

FOR GOOD AND VALUABLE CONSIDERATION, the receipt and sufficiency of which are acknowledged, the parties agree as follows:

1. **Third Extension Period**. The Term of the Lease is extended for a period of approximately 60 months (the "***Third Extension Period***") commencing on November 3, 2017, and expiring on October 31, 2022. Tenant acknowledges that it has no remaining options to extend the Term under the Lease except as provided in ***Section 5*** below. All other renewal rights and options are hereby deleted and of no further force or effect.

2. **Base Rent**. Commencing on November 1, 2017 and continuing through the Third Extension Period, Tenant shall, at the time and in the manner provided in the Lease, pay to Landlord as Base Rent the amounts set forth in the following rent schedule, plus any applicable tax thereon:

FROM	THROUGH	RATE	ANNUAL BASE RENT
November 1, 2017	October 31, 2018	$ 15.25	$ 67,115.28
November 1, 2018	October 31,2019	$ 15.71	$ 69,139.68
November 1, 2019	October 31, 2020	$ 16.18	$ 71,208.24
November 1, 2020	October 31, 2021	$ 16.66	$ 73,320.72
November 1, 2021	October 31, 2022	$ 17.16	$ 75,521.16

3. **Additional Rent**. Tenant shall continue to pay Tenant's Proportionate Share of Expenses as set forth in **Section 4** of the Lease.

4. **Condition of Premises**. **TENANT ACCEPTS THE PREMISES IN ITS "AS-IS" CONDITION AND CONFIGURATION, AND WITHOUT ANY REPRESENTATIONS OR WARRANTIES OF ANY KIND, EXPRESS OR IMPLIED, BY LANDLORD REGARDING THE PREMISES AND THE BUILDING. TENANT HEREBY AGREES THAT THE PREMISES ARE IN GOOD ORDER AND SATISFACTORY CONDITION**. However, any necessary construction of leasehold improvements shall be accomplished and the cost of such construction shall be paid in accordance with the "Work Letter" between Landlord and Tenant attached to this Amendment as Exhibit A.

5. **Option Term**.

(a) **Option Right**. Landlord hereby grants to the originally named Tenant herein ("***Original Tenant***") one (1) option to extend the Lease Term for a period of five (5) years (the "***Option Term***"), which option shall be irrevocably exercised only by written notice delivered by Tenant to Landlord not more than fifteen (15) months nor

less than twelve (12) months prior to the expiration of the Second Extension Period, provided that the following conditions (the "***Option Conditions***") are satisfied: (i) as of the date of delivery of such notice. Tenant is not in default under the Lease, after the expiration of any applicable notice and cure period; (ii) as of the end of the Second Extension Period, Tenant is not in default under the Lease, after the expiration of any applicable notice and cure period; (iii) Tenant has not previously been in default under the Lease, after the expiration of any applicable notice and cure period, more than twice; and (iv) the Lease then remains in full force and effect and Original Tenant or an Affiliated Entity (as such term is defined in the Lease) with a net worth equal to or greater than that of Original Tenant occupies the entire Premises at the time the option to extend is exercised and as of the commencement of the Option Term. Landlord may, at Landlord's option, exercised in Landlord's sole and absolute discretion, waive any of the Option Conditions in which case the option, if otherwise properly exercised by Tenant, shall remain in full force and effect. Upon the proper exercise of such option to extend, and provided that Tenant

satisfies all of the Option Conditions (except those, if any, which are waived by Landlord), the Lease Term, as it applies to the Premises, shall be extended for a period of five (5) years. The rights contained in this ***Section 5*** shall be personal to Original Tenant, and may be exercised by Original Tenant (and not by any assignee, sublessee or other transferee of Tenant's interest in the Lease).

(b) **Option Rent**. The annual Rent payable by Tenant during the Option Term (the "***Option Rent***") shall be equal to the "Fair Rental Value," as that term is defined below, for the Premises as of the commencement date of the Option Term. The "Fair Rental Value," as used in this **Section 5**, shall be equal to the annual rent per rentable square foot (including additional rent and considering any "base year" or "expense stop" applicable thereto), including all escalations, at which tenants (pursuant to leases consummated within the twelve (12) month period preceding the first day of the Option Term), are leasing non-sublease, non-encumbered, non-equity space which is not significantly greater or smaller in size than the subject space, for a comparable lease term, in an arm's length transaction, which comparable space is located in the "Comparable Buildings," as that term is defined in this **Section 5**, below (transactions satisfying the foregoing criteria shall be known as the "***Comparable Transactions***"), taking into consideration the following concessions (the "***Concessions***"): (a) rental abatement concessions, if any, being granted such tenants in connection with such comparable space; (b) tenant improvements or allowances provided or to be provided for such comparable space, and taking into account the value, if any, of the existing improvements in the subject space, such value to be based upon the age, condition, design, quality of finishes and layout of the improvements and the extent to which the same can be utilized by a general office user other than Tenant; and (c) other reasonable monetary concessions being granted such tenants in connection with such comparable space; provided, however, that in calculating the Fair Rental Value, no consideration shall be given to (i) the fact that Landlord is or is not required to pay a real estate brokerage commission in connection with Tenant's exercise of its right to extend the Lease Term, or the fact that landlords are or are not paying real estate brokerage commissions in connection with such comparable space, and (ii) any period of rental abatement, if any, granted to tenants in comparable transactions in connection with the design, permitting and construction of tenant improvements in such comparable spaces. The Concessions (A) shall be reflected in the effective rental rate (which effective rental rate shall take into consideration the total dollar value of such Concessions as amortized on a straight-line basis over the applicable term of the Comparable Transaction (in which case such Concessions evidenced in the effective rental rate shall not be granted to Tenant)) payable by Tenant, or (B) at Landlord's election, all such Concessions shall be granted to Tenant in kind. The term "***Comparable Buildings***" shall mean the Building and those other class A life sciences buildings which are comparable to the Building in terms of age (based upon the date of completion of construction or major renovation of to the building), quality of construction, level of services and amenities, size and appearance, and are located in Durham, North Carolina and the surrounding commercial area.

(c) **Determination of Option Rent**. In the event Tenant timely and appropriately exercises an option to extend the Lease Term, Landlord shall notify Tenant of Landlord's determination of the Option Rent on or before the Lease Expiration Date. If Tenant, on or before the date which is ten (10) days following the date upon which Tenant receives Landlord's determination of the Option Rent, in good faith objects to Landlord's determination of the Option Rent, then Landlord and Tenant shall attempt to agree upon the Option Rent using their best good-faith efforts. If Landlord and Tenant fail to reach agreement within ten (10) days following Tenant's objection to the Option Rent (the "***Outside Agreement Date***"), then each party shall make a separate determination of the Option Rent, as the case may be, within five (5) days, and such determinations shall be submitted to arbitration in accordance with the provisions below. If Tenant fails to object to Landlord's determination of the Option Rent

---

within the time period set forth herein, then Tenant shall be deemed to have objected to Landlord's determination of Option Rent.

(i) Landlord and Tenant shall each appoint one arbitrator who shall be, at the option of the appointing party, a real estate broker, appraiser or attorney who shall have been active over the five (5) year period ending on the date of such appointment in the leasing or appraisal, as the case may be, of other class A life sciences buildings located in the Durham, North Carolina market area. The determination of the arbitrators shall be limited solely to the issue of whether Landlord's or Tenant's submitted Option Rent is the closest to the actual Option Rent, taking into account the requirements above, as determined by the arbitrators. Each such arbitrator shall be appointed within fifteen (15) days after the Outside Agreement Date. Landlord and Tenant may consult with their selected arbitrators prior to appointment and may select an arbitrator who is favorable to their respective positions. The arbitrators so selected by Landlord and Tenant shall be deemed "***Advocate Arbitrators***."

(ii) The two (2) Advocate Arbitrators so appointed shall be specifically required pursuant to an engagement letter within ten (10) days of the date of the appointment of the last appointed Advocate Arbitrator to agree upon and appoint a third arbitrator ("***Neutral Arbitrator***") who shall be qualified under the same criteria set forth hereinabove for qualification of the two Advocate Arbitrators, except that neither the Landlord or Tenant or either parties' Advocate Arbitrator may, directly or indirectly, consult with the Neutral Arbitrator prior or subsequent to his or her appearance. The Neutral Arbitrator shall be retained via an engagement letter jointly prepared by Landlord's counsel and Tenant's counsel.

(iii) The three arbitrators shall, within thirty (30) days of the appointment of the Neutral Arbitrator, reach a decision as to whether the parties shall use Landlord's or Tenant's submitted Option Rent, and shall notify Landlord and Tenant thereof.

(iv) The decision of the majority of the three arbitrators shall be binding upon Landlord and Tenant.

(v) If either Landlord or Tenant fails to appoint an Advocate Arbitrator within fifteen (15) days after the Outside Agreement Date, then either party may petition the presiding judge of the Superior Court of Durham County to appoint such Advocate Arbitrator subject to the criteria above, or if he or she refuses to act, either party may petition any judge having jurisdiction over the parties to appoint such Advocate Arbitrator.

(vi) If the two (2) Advocate Arbitrators fail to agree upon and appoint the Neutral Arbitrator, then either party may petition the presiding judge of the Superior Court of Durham County to appoint the Neutral Arbitrator, subject to criteria above, or if he or she refuses to act, either party may petition any judge having jurisdiction over the parties to appoint such arbitrator.

(vii) The cost of the arbitration shall be paid by Landlord and Tenant equally.

(viii) In the event that the Option Rent shall not have been determined pursuant to the terms hereof prior to the commencement of the Option Term, Tenant shall be required to pay the Option Rent initially provided by Landlord to Tenant, and upon the final determination of the Option Rent, the payments made by Tenant shall be reconciled with the actual amounts of Option Rent due, and the appropriate party shall make any corresponding payment to the other party.

6. **Broker**. Each party represents and warrants to the other that it has not been represented by any broker or agent in connection with the execution of this Amendment, other than Thalhimer Raleigh LLC as Landlord's agent, and Thalhimer Raleigh LLC, as Tenant's agent Each party shall indemnify the other and their respective partners, members, affiliates and subsidiaries, and all of their respective officers, directors, shareholders, employees, servants, partners,

members, representatives, insurers and agents from and against all claims (including costs of defense and investigation) relating to its breach of the foregoing representation.

7. **OFAC List Representation**. Tenant hereby represents and warrants to Landlord that neither Tenant nor, to its knowledge, any of its officers, directors, shareholders, partners, members or affiliates is or will be an entity or person: (a) that is listed in the annex to, or is otherwise subject to the provisions of, Executive Order 13224 issued on September 24, 2001 ("***EO 13224***"); (b) whose name appears on the United States Treasury Department's Office

---

of Foreign Assets Control ("***OFAC***") most current list of "Specifically Designated National and Blocked Persons" (which list may be published from time to time in various mediums including, but not limited to, the OFAC website, http:www.treas.gov/ofac/t11sdn.pdf); (c) who commits, threatens to commit or supports "terrorism," as that term is defined in EO 13224; or (d) who is otherwise affiliated with any entity or person listed above.

8. **Miscellaneous**. This Amendment shall become effective only upon full execution and delivery of this Amendment by Landlord and Tenant. This Amendment contains the parties' entire agreement regarding the subject matter covered by this Amendment, and supersedes all prior correspondence, negotiations, and agreements, if any, whether oral or written, between the parties concerning such subject matter. There are no contemporaneous oral agreements, and there are no representations or warranties between the parties not contained in this Amendment. Except as modified by this Amendment, the terms and provisions of the Lease shall remain in full force and effect, and the Lease, as modified by this Amendment, shall be binding upon and shall inure to the benefit of the parties hereto, their successors and permitted assigns. This Amendment may be executed in one or more counterparts, including by facsimile or electronic copy.

[*Signatures to follow*]

LANDLORD AND TENANT enter into this Amendment as of the Effective Date specified below Landlord's signature.

LANDLORD:

DURHAM KTP TECH 7, LLC,
a Delaware limited liability company

By: /s/ Jamison N. Peschel
Name: Jamison N. Peschel
Title: Authorized Signatory

Effective Date: Nov.17, 2015

TENANT:

LIQUIDIA TECHNOLOGIES, INC.,
a Delaware corporation

By: /s/ Timothy Albury
Name: Timothy Albury
Title: CFO

EXHIBIT A

TENANT WORK LETTER

This Tenant Work Letter is attached as an Exhibit to that certain Fifth Amendment to Lease Agreement (the "*Amendment*") between DURHAM KTP TECH 7, LLC, as Landlord, and LIQUIDIA TECHNOLOGIES, INC., as Tenant, that amends that certain Lease Agreement dated April 14, 2005 (as amended, the "*Lease*") and relating to the lease by Landlord to Tenant of that certain Premises. Unless otherwise specified, all capitalized terms used in this Work Letter shall have the same meanings as in the Lease as amended by the Amendment.

1. Construction. Tenant agrees to construct leasehold improvements (the "*Tenant Work*") in a good and workmanlike manner in and upon the Premises, at Tenant's sole cost and expense, in accordance with the following provisions. Prior to construction, Tenant shall submit to Landlord for Landlord's approval complete plans and specifications for the construction of the Tenant Work ("*Tenant's Plans*"). Within 10 business days after receipt of Tenant's Plans, Landlord shall review and either approve or disapprove Tenant's Plans. If Landlord disapproves Tenant's Plans, or any portion thereof, Landlord shall notify Tenant thereof and of the revisions Landlord requires before Landlord will approve Tenant's Plans. Within 10 business days after Landlord's notice, Tenant shall submit to Landlord, for Landlord 's review and approval, plans and specifications incorporating the required revisions. The final plans and specifications approved by Landlord are hereinafter referred to as the "*Approved Construction Documents*". Tenant will employ experienced, licensed contractors, architects, engineers and other consultants, approved by Landlord, to construct the Tenant Work and will require in the applicable contracts that such parties (a) carry insurance in such amounts and types of coverages as are reasonably required by Landlord, (b) list the Landlord and its partners as additional insureds, and (c) design and construct the Tenant Work in a good and workmanlike manner and in compliance with all laws. Unless otherwise agreed to in writing by Landlord and Tenant, all work involved in the construction and installation of the Tenant Work shall be carried out by Tenant's

contractor under the sole direction of Tenant, in compliance with all Building rules and regulations and in such a manner so as not to unreasonably interfere with or disturb the operations, business, use and enjoyment of the Project by other tenants in the Building or the structural calculations for imposed loads. Tenant shall obtain from its contractors and provide to Landlord a list of all subcontractors providing labor or materials in connection with any portion of the Tenant Work prior to commencement of the Tenant Work. Tenant warrants that the design, construction and installation of the Tenant Work shall conform to the requirements of all applicable laws, including building, plumbing and electrical codes and parameters, and the requirements of any authority having jurisdiction over, or with respect to, such Tenant Work.

2. Costs. Subject to the terms and conditions of this Section 2, Landlord will provide Tenant with an allowance (the "*Reimbursement Allowance*") to be applied towards the cost of constructing the Tenant Work.

(A) Landlord's obligation to reimburse Tenant for Tenant's construction of the Tenant Work shall be: (i) limited to actual costs incurred by Tenant in its construction of the Tenant Work; (ii) limited to an amount up to, but not exceeding, $10.00 multiplied by the rentable square footage of the Premises; and (iii) conditioned upon Landlord's receipt of written notice (which notice shall be accompanied by invoices and documentation set forth below) from Tenant that the Tenant Work has been completed and accepted by Tenant. The cost of (a) all space planning, design, consulting or review services and construction drawings, (b) extension of electrical wiring from Landlord's designated location(s) to the Premises, (c) purchasing and installing all building equipment for the Premises (including any submeters and other above building standard electrical equipment approved by Landlord), (d) required metering, re-circuiting or re-wiring for metering, equipment rental, engineering design services, consulting services, studies, construction services, cost of billing and collections, (e) materials and labor, (f) a 1% project management fee as outlined below in ***Section 4***, payable to Landlord or its affiliates on total construction costs, and (g) an asbestos survey of the Premises if required by applicable law, shall all be included in the cost of the Tenant Work and may be paid out of the Reimbursement Allowance, to the extent sufficient funds are available for such purpose. Any reimbursement obligation of Landlord under this Work Letter shall be applied solely to the purposes specified above, as allocated, within 365 days after the Effective Date or be forfeited with no further obligation on the part of Landlord.

(B) Landlord shall pay the Reimbursement Allowance to Tenant within 45 days following Landlord's receipt of (i) third-party invoices for costs incurred by Tenant in constructing the Tenant Work; (ii) evidence that Tenant has paid the invoices for such costs; and (iii) final lien waivers from any contractor or supplier who has constructed or

---

supplied materials for the Tenant Work. If the costs incurred by Tenant in constructing the Tenant Work exceed the Reimbursement Allowance, then Tenant shall pay all such excess costs and Tenant agrees to keep the Premises and the Project free from any liens arising out of the non-payment of such costs.

(C) All installations and improvements now or hereafter placed in the Premises other than building standard improvements shall be for Tenant's account and at Tenant's cost. Tenant shall pay ad valorem taxes and increased insurance thereon or attributable thereto, which cost shall be payable by Tenant to Landlord as additional Rent within 30 days after receipt of an invoice therefor. Tenant's failure to pay such cost shall constitute an event of default under the Lease.

3. ADA Compliance. Landlord shall not be responsible for determining whether Tenant is a public accommodation under ADA or whether the Approved Construction Documents comply with ADA requirements. Such determinations, if desired by Tenant, shall be the sole responsibility of Tenant. Landlord's approval of the Approved Construction Documents shall not be deemed a statement of compliance with applicable Laws, nor of the accuracy, adequacy, appropriateness, functionality or quality of the improvements to be made according to the Approved Construction Documents.

4. Landlord's Oversight and Coordination. Construction of the Tenant Work shall be subject to oversight and coordination by Landlord, but such oversight and coordination shall not subject Landlord to any liability to Tenant, Tenant's contractors or any other person. Landlord has the right to inspect construction of the Tenant Work from, time to time. A 1% project management fee shall be payable to Landlord or its affiliates by Tenant on total construction costs which amount Landlord may pay from the available Reimbursement Allowance.

5. Assumption of Risk and Waiver. Tenant hereby assumes any and all risks involved with respect to the Tenant Work and hereby releases and discharges all Landlord parties from any and all liability or loss, damage or injury suffered or incurred by Tenant or third parties in any way arising out of or in connection with the Tenant Work.

FOURTH AMENDMENT TO LEASE AGREEMENT

THIS FOURTH AMENDMENT TO LEASE AGREEMENT (this "***Amendment***") is entered into between **LCFRE KEYSTONE TECHNOLOGY PARK, L.P.**, a Delaware limited partnership ("***Landlord***"), and **LIQUIDIA TECHNOLOGIES, INC.**, a Delaware corporation ("***Tenant***"), with reference to the following:

A. Technology V1I-1X. LLC (predecessor-in-interest to Landlord) and Tenant entered into that certain Lease Agreement dated April 14, 2005: GRL Keystone Technology Park Two LLC and Tenant entered into that certain Lease Modification Agreement No. 1 dated June 11, 2010; and Landlord and Tenant entered into that certain Second Amendment to Lease Agreement dated September 10, 2012, and that certain Third Amendment to Lease Agreement dated August 13, 2013 (as amended, the "***Lease***"), covering approximately 4,401 rentable square feet known as Suite 500 (the "***Premises***") of Keystone Technology Park Building VII, 627 Davis Drive, Durham, North Carolina (the "***Building***").

B. Landlord and Tenant now desire to further amend the Lease as set forth below. Unless otherwise expressly provided in this Amendment, capitalized terms used in this Amendment shall have the same meanings as in the Lease.

FOR GOOD AND VALUABLE CONSIDERATION, the receipt and sufficiency of which are acknowledged, the parties agree as follows:

1. **Fourth Extension Period**. The term of the Lease is extended for a period of 36 months commencing on November 1, 2014, and expiring on October 31, 2017 (the "***Fourth Extension Period***"). Tenant acknowledges that it has no further renewal, expansion or similar rights or options under the Lease.

2. **Base Rent**. Commencing on November 1. 2014 and continuing through the Fourth Extension Period, Tenant shall, at the time and in the manner provided in the Lease, pay to Landlord as Base Rent the amounts set forth in the following rent schedule, plus any applicable tax thereon:

FROM	THROUGH	RATE PER RSF	MONTHLY BASE RENT
November 1, 2014	October 31, 2015	$ 13.75	$ 5,042.81
November 1, 2015	October 31, 2016	$ 14.16	$ 5,193.18
November 1, 2016	October 31, 2017	$ 14.59	$ 5,350.88

3. **Additional Rent**. Tenant shall continue to pay Tenant's Proportionate Share of Expenses as set forth in **Section 4** of the Lease.

4. **Condition of Premises**. Tenant accepts the Premises in its "as-is" condition. However, any necessary construction of leasehold improvements shall be accomplished and the cost of such construction shall be paid in accordance with the "Work Letter" between Landlord and Tenant attached to this Amendment as **Exhibit A**. Tenant acknowledges that Landlord has not undertaken to perform any modification, alteration or improvement to the Premises. **TENANT WAIVES ANY CLAIMS DUE TO DEFECTS IN THE PREMISES**. Tenant waives the right to terminate the Lease due to the condition of the Premises. Nothing in this Section shall be deemed to negate Landlord's repair and maintenance obligations under the Lease.

5. **Consent**. This Amendment is subject to, and conditioned upon, any required consent or approval being unconditionally granted by Landlord's mortgagee(s). If any such consent shall be denied, or granted subject to an unacceptable condition, this Amendment shall be null and void and the Lease shall remain unchanged and in full force and effect.

6. **Broker**. Tenant represents and warrants that it has not been represented by any broker or agent in connection with the execution of this Amendment except Jim Allaire of Cushman & Wakefield/Thalhimer as Tenant's broker, and Sue Back and Jordan Betz of Cushman & Wakefield/Thalhimer as Landlord's broker whose commissions shall be paid by Landlord pursuant to separate written agreements. Tenant shall indemnify, defend and hold harmless Landlord and its designated property management, construction and marketing firms, and their respective partners, members, affiliates and subsidiaries, and all of their respective officers, directors, shareholders,

employees, servants, partners, members, representatives, insurers and agents from and against all claims (including costs of defense and investigation) of any other broker or agent or similar party claiming by, through or under Tenant in connection with this Amendment. Landlord shall indemnify, defend and hold harmless Tenant and its partners, members, affiliates and subsidiaries, and all of their respective officers, directors, shareholders, employees, servants, partners, members, representatives, insurers and agents from and against all claims (including costs of defense and investigation) of any other broker or agent or similar party claiming by, through or under Landlord in connection with this Amendment.

7. **OFAC List Representation**. Tenant hereby represents and warrants to Landlord that neither Tenant nor any of its officers, directors, shareholders, partners, members or affiliates is or will be an entity or person: (a) that is listed in the annex to, or is otherwise subject to the provisions of, Executive Order 13224 issued on September 24, 2001 ("***EO 13224***"); (b) whose name appears on the United States Treasury Department's Office of Foreign Assets Control ("***OFAC***") most current list of "Specially Designated National and Blocked Persons" (which list may be published from time to time in various mediums including, but not limited to, the OFAC website, http:www.treas.gov/ofac/t1sdn.pdf); (c) who commits, threatens to commit or supports "terrorism," as that term is defined in EO 13224; or (d) who is otherwise affiliated with any entity or person listed above.

8. **Time of the Essence**. Time is of the essence with respect to Tenant's execution and delivery to Landlord of this Amendment. If Tenant fails to execute and deliver a signed copy of this Amendment to Landlord by 5:00 p.m. (in the city in which the Premises is located) on June 10, 2014, this Amendment shall be deemed null and void and shall have no force or effect, unless otherwise agreed in writing by Landlord. Landlord's acceptance, execution and return of this Amendment shall constitute Landlord s agreement to waive Tenant's failure to meet such deadline.

9. **Miscellaneous**. This Amendment shall become effective only upon full execution and delivery of this Amendment by Landlord and Tenant. This Amendment contains the parties' entire agreement regarding the subject matter covered by this Amendment, and supersedes all prior correspondence, negotiations, and agreements, if any, whether oral or written, between the parties concerning such subject matter. There are no contemporaneous oral agreements, and there are no representations or warranties between the parties not contained in this Amendment on which the parties have relied. Except as modified by this Amendment, the terms and provisions of the Lease shall remain in full force and effect, and the Lease, as modified by this Amendment, shall be binding upon and shall inure to the benefit of the parties hereto, their successors and permitted assigns.

[*Signatures to follow*]

LANDLORD AND TENANT enter into this Amendment as of the Effective Date specified below Landlord's signature.

LANDLORD:

LCFRE DURHAM KEYSTONE TECHNOLOGY PARK, L.P., a Delaware limited partnership

By: LCFRE Durham Keystone Technology Park GP, LLC, a Delaware limited liability company, its general partner

By: /s/ Thomas P. Patterson
Name: Thomas P. Patterson
Title: Vice President

Effective Date: June 25, 2014

TENANT:

LIQUIDIA TECHNOLOGIES, INC., a Delaware corporation

By: /s/ Timothy Albury
Name: Timothy Albury
Title: CFO

EXHIBIT A

WORK LETTER

This Work Letter is attached as an Exhibit to that certain Fourth Amendment to Lease Agreement (the "***Amendment***") between **LCFRE DURHAM KEYSTONE TECHNOLOGY PARK, L.P.**, as Landlord, and **LIQUIDIA TECHNOLOGIES, INC.**, as Tenant, that amends that certain Lease Agreement dated April 14, 2005 (as amended, the "***Lease***") and relating to the lease by Landlord to Tenant of that certain Premises. Unless otherwise specified, all capitalized terms used in this Work Letter shall have the same meanings as in the Lease as amended by the Amendment.

1. **Construction**. Tenant agrees to construct leasehold improvements (the "***Tenant Work***") in a good and workmanlike manner in and upon the Premises, at Tenant's sole cost and expense, in accordance with the following provisions. After completion, Tenant shall submit to Landlord for Landlord's approval complete plans and specifications for the construction of the Tenant Work ("***Tenant's Plans***"). Within 10 business days after receipt of Tenant's Plans, Landlord shall review and either approve or disapprove Tenant's Plans. If Landlord disapproves Tenant's Plans, or any portion thereof. Landlord shall notify Tenant thereof and of the revisions Landlord requires before Landlord will approve Tenant's Plans. Within 10 business days after Landlord's notice, Tenant shall submit to Landlord, for Landlord's review and approval, plans and specifications incorporating the required revisions. The final plans and specifications approved by Landlord are hereinafter referred to as the "***Approved Construction Documents***". Tenant will employ experienced, licensed contractors, architects, engineers and other consultants, approved by Landlord, to construct the Tenant Work and will require in the applicable contracts that such parties (a) carry insurance in such amounts and types of coverages as are reasonably required by Landlord, and (b) design and construct the Tenant Work in a good and workmanlike manner and in compliance with all laws. Unless otherwise agreed to in writing by Landlord and Tenant, all work involved in the construction and installation of the Tenant Work shall be carried out by Tenant's contractor under the sole direction of Tenant, in compliance with all Building rules and regulations and in such a manner so as not to unreasonably interfere with or disturb the operations, business, use and enjoyment of the Project by other tenants in the Building or the structural calculations for imposed loads. Tenant shall obtain from its contractors and provide to Landlord a list of all subcontractors providing labor or materials in connection with any portion of the Tenant Work prior to commencement of the Tenant Work. Tenant warrants that the design, construction and installation of the Tenant Work shall conform to the requirements of all applicable laws, including building, plumbing and electrical codes and parameters, and the requirements of any authority having jurisdiction over, or with respect to, such Tenant Work.

2. **Costs**. Subject to the terms and conditions of this **Section 2**, Landlord will provide Tenant with an allowance (the "***Reimbursement Allowance***") to be applied towards the cost of constructing the Tenant Work.

(A) Landlord's obligation to reimburse Tenant for Tenant's construction of the Tenant Work shall be: (i) limited to actual costs incurred by Tenant in its construction of the Tenant Work; (ii) limited to an amount up to, but not exceeding, $3.00 multiplied by the rentable square footage of the Premises; and (iii) conditioned upon Landlord's receipt of written notice (which notice shall be accompanied by invoices and documentation set forth below) from Tenant that the Tenant Work has been completed and accepted by Tenant. The cost of (a) all space planning, design, consulting or review services and construction drawings, (b) extension of electrical wiring from Landlord's designated location(s) to the Premises, (c) purchasing and installing all building equipment for the Premises (including any submeters and other above building standard electrical equipment approved by Landlord), (d) required metering, re- circuiting or re-wiring for metering, equipment rental, engineering design services, consulting services, studies, construction services, cost of billing and collections, (e) materials and labor, and (f) an asbestos survey of the Premises if required by applicable law. shall all be included in the cost of the Tenant Work and may be paid out of the Reimbursement Allowance, to the extent sufficient funds are available for such purpose. Any reimbursement obligation of Landlord under this Work Letter shall be applied solely to the purposes specified above, as allocated, within 180 days after the Effective Date or be forfeited with no further obligation on the part of Landlord.

(B) Landlord shall pay the Reimbursement Allowance to Tenant within 45 days following Landlord's receipt of (i) third-party invoices for costs incurred by Tenant in constructing the Tenant Work; (ii) evidence that Tenant has paid the invoices for such costs; and (iii) final lien waivers from any contractor or supplier

who has constructed or supplied materials for the Tenant Work. If the costs incurred by Tenant in constructing the Tenant Work exceed the Reimbursement Allowance, then Tenant shall pay all such excess costs and Tenant agrees to keep the Premises and the Project free from any liens arising out of the non-payment of such costs.

(C) All installations and improvements now or hereafter placed in the Premises other than building standard improvements shall be for Tenant's account and at Tenant's cost. Tenant shall pay ad valorem taxes and increased insurance thereon or attributable thereto, which cost shall be payable by Tenant to Landlord as additional Rent within 30 days after receipt of an invoice therefor. Tenant's failure to pay such cost shall constitute an event of default under the Lease.

3. **ADA Compliance**. Tenant shall, at its expense, be responsible for ADA compliance in the Premises, including restrooms on any floor now or hereafter leased or occupied in its entirety by Tenant, its affiliates or transferees. Landlord shall not be responsible for determining whether Tenant is a public accommodation under ADA or whether the Approved Construction Documents comply with ADA requirements. Such determinations, if desired by Tenant, shall be the sole responsibility of Tenant. Landlord's approval of the Approved Construction Documents shall not be deemed a statement of compliance with applicable Laws, nor of the accuracy, adequacy, appropriateness, functionality or quality of the improvements to be made according to the Approved Construction Documents.

4. **Landlord's Oversight and Coordination**. Construction of the Tenant Work shall be subject to oversight and coordination by Landlord, but such oversight and coordination shall not subject Landlord to any liability to Tenant, Tenant's contractors or any other person. Landlord has the right to inspect construction of the Tenant Work from time to time.

5. **Assumption of Risk and Waiver**. Tenant hereby assumes any and all risks involved with respect to the Tenant Work and hereby releases and discharges all Landlord parties from any and all liability or loss, damage or injury suffered or incurred by Tenant or third parties in any way arising out of or in connection with the Tenant Work.

FIFTH AMENDMENT TO LEASE AGREEMENT

THIS FIFTH AMENDMENT TO LEASE AGREEMENT (this ***"Amendment")*** is entered into between **DURHAM KTP TECH 7, LLC,** a Delaware limited liability company ***("Landlord"),*** and **LIQUIDIA TECHNOLOGIES, INC.,** a Delaware corporation ***("Tenant"),*** with reference to the following:

A. Technology VII-IX, LLC (predecessor-in-interest to Landlord) and Tenant entered into that certain Lease Agreement dated April 14, 2005, as amended by that certain Lease Modification Agreement No. 1 dated June 11, 2010, that certain Second Amendment to Lease dated September 10, 2012, that certain Third Amendment to Lease Agreement dated August 13, 2013, and that certain Fourth Amendment to Lease Agreement dated June 25, 2014 (as amended, the ***"Lease"),*** covering approximately 4,401 rentable square feet known as Suite 500 (the ***"Premises")*** of Keystone Technology Park Building VII, 627 Davis Drive, Durham, North Carolina (the ***"Building").***

B. Landlord assigned its interest in the Lease to GRE Keystone Technology Park One LLC ("GRE"). GRE assigned its interest in the Lease to LCFRE Keystone Technology Park, L.P. which subsequently assigned its interest in the Lease to Landlord.

C. Landlord and Tenant now desire to further amend the Lease as set forth below. Unless otherwise expressly provided in this Amendment, capitalized terms used in this Amendment shall have the same meanings as in the Lease.

FOR GOOD AND VALUABLE CONSIDERATION, the receipt and sufficiency of which are acknowledged, the parties agree as follows:

1. **Third Extension Period.** The Term of the Lease is extended for a period of approximately 60 months (the ***"Third Extension Period')*** commencing on November 1, 2017, and expiring on October 31, 2022. Tenant acknowledges that it has no remaining options to extend the Term under the Lease except as provided in Section 5 below. All other renewal rights and options are hereby deleted and of no further force or effect.

2. **Base Rent.** Commencing on November 1, 2017 and continuing through the Third Extension Period, Tenant shall, at the time and in the manner provided in the Lease, pay to Landlord as Base Rent the amounts set forth in the following rent schedule, plus any applicable tax thereon:

FROM	THROUGH	RATE	ANNUAL BASE RENT
November 1, 2017	October 31, 2018	$ 15.25	$ 67,115.28
November 1, 2018	October 31, 2019	$ 15.71	$ 69,139.68
November 1, 2019	October 31, 2020	$ 16.18	$ 71,208.24
November 1, 2020	October 31, 2021	$ 16.66	$ 73,320.72
November 1, 2021	October 31, 2022	$ 17.16	$ 75,521.16

3. **Additional Rent.** Tenant shall continue to pay Tenant's Proportionate Share of Expenses as set forth in **Section 4** of the Lease.

---

4. **Condition of Premises.** Tenant accepts the premises in its "as-is" condition and configuration, and without any representations or warranties of any kind, express or implied, by landlord regarding the premises and the building. Tenant hereby agrees that the premises are in good order and satisfactory condition. However, any necessary construction of leasehold improvements shall be accomplished and the cost of such construction shall be paid in accordance with the "Work Letter" between Landlord and Tenant attached to this Amendment as Exhibit A.

5. **Option Term.**

(a) **Option Right.** Landlord hereby grants to the originally named Tenant herein ***("Original Tenant")*** one (1) option to extend the Lease Term for a period of five (5) years (the ***"Option Term"),*** which option shall be irrevocably exercised only by written notice delivered by Tenant to Landlord not more than fifteen (15) months nor less than twelve (12) months prior to the expiration of the Second Extension Period, provided that the following conditions (the ***"Option Conditions")*** are satisfied: (i) as of the date of delivery of such notice, Tenant is not in default under the Lease, after the expiration of any applicable notice and cure period; (ii) as of the end of the Second Extension Period, Tenant is not in default under the Lease, after the expiration of any applicable notice and cure period; (iii) Tenant has not previously been in default under the Lease, after the expiration of any applicable notice and cure period, more than twice; and (iv) the Lease then remains in full force and effect and Original Tenant or an Affiliated Entity (as such term is defined in the Lease) with a net worth equal to or greater than that of Original Tenant occupies the entire Premises at the time the option to extend is exercised and as of the commencement of the Option Term. Landlord may, at Landlord's option, exercised in Landlord's sole and absolute discretion, waive any of the Option Conditions in which case the option, if otherwise properly exercised by Tenant, shall remain in full force and effect. Upon the proper exercise of such option

to extend, and provided that Tenant satisfies all of the Option Conditions (except those, if any, which are waived by Landlord), the Lease Term, as it applies to the Premises, shall be extended for a period of five (5) years. The rights contained in this Section 5 shall be personal to Original Tenant, and may be exercised by Original Tenant (and not by any assignee, sublessee or other transferee of Tenant's interest in the Lease).

(b) **Option Rent.** The annual Rent payable by Tenant during the Option Term (the ***"Option Rent")*** shall be equal to the "Fair Rental Value," as that term is defined below, for the Premises as of the commencement date of the Option Term. The ***"Fair Rental Value,"*** as used in this Section 5, shall be equal to the annual rent per rentable square foot (including additional rent and considering any "base year" or "expense stop" applicable thereto), including all escalations, at which tenants (pursuant to leases consummated within the twelve (12) month period preceding the first day of the Option Term), are leasing non-sublease, non-encumbered, non-equity space which is not significantly greater or smaller in size than the subject space, for a comparable lease term, in an arm's length transaction, which comparable space is located in the "Comparable Buildings," as that term is defined in this Section 5, below (transactions satisfying the foregoing criteria shall be known as the ***"Comparable Transactions"),*** taking into consideration the following concessions (the ***"Concessions"):*** (a) rental abatement concessions, if any, being granted such tenants in connection with such comparable space; (b) tenant improvements or allowances provided or to be provided for such comparable space, and taking into account the value, if any, of the existing improvements in the subject space, such value to be based upon the age, condition, design, quality of finishes and layout of the improvements and the

---

extent to which the same can be utilized by a general office user other than Tenant; and (c) other reasonable monetary concessions being granted such tenants in connection with such comparable space; provided, however, that in calculating the Fair Rental Value, no consideration shall be given to (i) the fact that Landlord is or is not required to pay a real estate brokerage commission in connection with Tenant's exercise of its right to extend the Lease Term, or the fact that landlords are or are not paying real estate brokerage commissions in connection with such comparable space, and (ii) any period of rental abatement, if any, granted to tenants in comparable transactions in connection with the design, permitting and construction of tenant improvements in such comparable spaces. The Concessions (A) shall be reflected in the effective rental rate (which effective rental rate shall take into consideration the total dollar value of such Concessions as amortized on a straight-line basis over the applicable term of the Comparable Transaction (in which case such Concessions evidenced in the effective rental rate shall not be granted to Tenant)) payable by Tenant, or (B) at Landlord's election, all such Concessions shall be granted to Tenant in kind. The term ***"Comparable Buildings"*** shall mean the Building and those other class A life sciences buildings which are comparable to the Building in terms of age (based upon the date of completion of construction or major renovation of to the building), quality of construction, level of services and amenities, size and appearance, and are located in Durham, North Carolina and the surrounding commercial area

(c) **Determination of Option Rent.** In the event Tenant timely and appropriately exercises an option to extend the Lease Term, Landlord shall notify Tenant of Landlord's determination of the Option Rent on or before the Lease Expiration Date. If Tenant, on or before the date which is ten (10) days following the date upon which Tenant receives Landlord's determination of the Option Rent, in good faith objects to Landlord's determination of the Option Rent, then Landlord and Tenant shall attempt to agree upon the Option Rent using their best good-faith efforts. If Landlord and Tenant fail to reach agreement within ten (10) days following Tenant's objection to the Option Rent (the ***"Outside Agreement Date"),*** then each party shall make a separate determination of the Option Rent, as the case may be, within five (5) days, and such determinations shall be submitted to arbitration in accordance with the provisions below. If Tenant fails to object to Landlord's determination of the Option Rent within the time period set forth herein, then Tenant shall be deemed to have objected to Landlord's determination of Option Rent.

(i) Landlord and Tenant shall each appoint one arbitrator who shall be, at the option of the appointing party, a real estate broker, appraiser or attorney who shall have been active over the five (5) year period ending on the date of such appointment in the leasing or appraisal, as the case may be, of other class A life sciences buildings located in the Durham, North Carolina market area. The determination of the arbitrators shall be limited solely to the issue of whether Landlord's or Tenant's submitted Option Rent is the closest to the actual Option Rent, taking into account the requirements above, as determined by the arbitrators. Each such arbitrator shall be appointed within fifteen (15) days after the Outside Agreement Date. Landlord and Tenant may consult with their selected arbitrators prior to appointment and may select an arbitrator who is favorable to their respective positions. The arbitrators so selected by Landlord and Tenant shall be deemed ***"Advocate Arbitrators ."***

(ii) The two (2) Advocate Arbitrators so appointed shall be specifically required pursuant to an engagement letter within ten (10) days of the date of the appointment of the last appointed Advocate Arbitrator to agree upon and appoint a third arbitrator ***("Neutral***

Arbitrator") who shall be qualified under the same criteria set forth hereinabove for qualification of the two Advocate Arbitrators, except that neither the Landlord or Tenant or either parties' Advocate Arbitrator may, directly or indirectly, consult with the Neutral Arbitrator prior or subsequent to his or her appearance. The Neutral Arbitrator shall be retained via an engagement letter jointly prepared by Landlord's counsel and Tenant's counsel.

(iii) The three arbitrators shall, within thirty (30) days of the appointment of the Neutral Arbitrator, reach a decision as to whether the parties shall use Landlord's or Tenant's submitted Option Rent, and shall notify Landlord and Tenant thereof.

(iv) The decision of the majority of the three arbitrators shall be binding upon Landlord and Tenant.

(v) If either Landlord or Tenant fails to appoint an Advocate Arbitrator within fifteen (15) days after the Outside Agreement Date, then either party may petition the presiding judge of the Superior Court of Durham County to appoint such Advocate Arbitrator subject to the criteria above, or if he or she refuses to act, either party may petition any judge having jurisdiction over the parties to appoint such Advocate Arbitrator.

(vi) If the two (2) Advocate Arbitrators fail to agree upon and appoint the Neutral Arbitrator, then either party may petition the presiding judge of the Superior Court of Durham County to appoint the Neutral Arbitrator, subject to criteria above, or if he or she refuses to act, either party may petition any judge having jurisdiction over the parties to appoint such arbitrator.

(vii) The cost of the arbitration shall be paid by Landlord and Tenant equally.

(viii) In the event that the Option Rent shall not have been determined pursuant to the terms hereof prior to the commencement of the Option Term, Tenant shall be required to pay the Option Rent initially provided by Landlord to Tenant, and upon the final determination of the Option Rent, the payments made by Tenant shall be reconciled with the actual amounts of Option Rent due, and the appropriate party shall make any corresponding payment to the other party.

6. **Broker.** Each party represents and warrants to the other that it has not been represented by any broker or agent in connection with the execution of this Amendment, other than Thalhimer Raleigh LLC as Landlord's agent, and Thalhimer Raleigh LLC, as Tenant's agent Each party shall indemnify the other and their respective partners, members, affiliates and subsidiaries, and all of their respective officers, directors, shareholders, employees, servants, partners, members, representatives, insurers and agents from and against all claims (including costs of defense and investigation) relating to its breach of the foregoing representation.

7. **OFAC List Representation.** Tenant hereby represents and warrants to Landlord that neither Tenant nor, to its knowledge, any of its officers, directors, shareholders, partners, members or affiliates is or will be an entity or person: (a) that is listed in the annex to, or is otherwise subject to the provisions of, Executive Order 13224 issued on September 24, 2001 ***("EO 13224");*** (b) whose name appears on the United States Treasury Department's Office of Foreign Assets Control ***("OFAC')*** most current list of "Specifically Designated National and

---

Blocked Persons" (which list may be published from time to time in various mediums including, but not limited to, the OFAC website, http:www.treas.gov/ofac/tl **1**sdn.pdf); (c) who commits, threatens to commit or supports "terrorism," as that term is defined in EO 13224; or (d) who is otherwise affiliated with any entity or person listed above.

8. **Miscellaneous.** This Amendment shall become effective only upon full execution and delivery of this Amendment by Landlord and Tenant. This Amendment contains the parties' entire agreement regarding the subject matter covered by this Amendment, and supersedes all prior correspondence, negotiations, and agreements, if any, whether oral or written, between the parties concerning such subject matter. There are no contemporaneous oral agreements, and there are no representations or warranties between the parties not contained in this Amendment. Except as modified by this Amendment, the terms and provisions of the Lease shall remain in full force and effect, and the Lease, as modified by this Amendment, shall be binding upon and shall inure to the benefit of the parties hereto, their successors and permitted assigns. This Amendment may be executed in one or more counterparts, including by facsimile or electronic copy.

[***Signatures to follow]***

LANDLORD AND TENANT enter into this Amendment as of the Effective Date specified below Landlord's signature.

LANDLORD:

DURHAM KTP TECH 7, LLC,
a Delaware limited liability company

By: /s/ Jamison N. Peschel
Name: Jamison N. Peschel
Title: Authorized Signatory

Effective Date: June 9, 2017

TENANT:

LIQUIDIA TECHNOLOGIES, INC.,
a Delaware corporation

By: /s/ Shawn Glidden
Name: Shawn Glidden
Title: VP Legal Affairs and Secretary

Effective Date: June 9, 2017

EXHIBIT A

TENANT WORK LETTER

This Tenant Work Letter is attached as an Exhibit to that certain Fifth Amendment to Lease Agreement (the *"Amendment")* between DURHAM KTP TECH 7, LLC, as Landlord, and LIQUIDIA TECHNOLOGIES, INC., as Tenant, that amends that certain Lease Agreement dated April 14, 2005 (as amended, the *"Lease")* and relating to the lease by Landlord to Tenant of that certain Premises. Unless otherwise specified, all capitalized terms used in this Work Letter shall have the same meanings as in the Lease as amended by the Amendment.

1. Construction. Tenant agrees to construct leasehold improvements (the *"Tenant Work")* in a good and workmanlike manner in and upon the Premises, at Tenant's sole cost and expense, in accordance with the following provisions. Prior to construction, Tenant shall submit to Landlord for Landlord's approval complete plans and specifications for the construction of the Tenant Work *("Tenant's Plans").* Within 10 business days after receipt of Tenant's Plans, Landlord shall review and either approve or disapprove Tenant's Plans. If Landlord disapproves Tenant's Plans, or any portion thereof, Landlord shall notify Tenant thereof and of the revisions Landlord requires before Landlord will approve Tenant's Plans. Within 10 business days after Landlord's notice, Tenant shall submit to Landlord, for Landlord 's review and approval, plans and specifications incorporating the required revisions. The final plans and specifications

approved by Landlord are hereinafter referred to as the *"Approved Construction Documents"*. Tenant will employ experienced, licensed contractors, architects, engineers and other consultants, approved by Landlord, to construct the Tenant Work and will require in the applicable contracts that such parties (a) carry insurance in such amounts and types of coverages as are reasonably required by Landlord, (b) list the Landlord and its partners as additional insureds, and (c) design and construct the Tenant Work in a good and workmanlike manner and in compliance with all laws. Unless otherwise agreed to in writing by Landlord and Tenant, all work involved in the construction and installation of the Tenant Work shall be carried out by Tenant's contractor under the sole direction of Tenant, in compliance with all Building rules and regulations and in such ·a manner so as not to unreasonably interfere with or disturb the operations, business, use and enjoyment of the Project by other tenants in the Building or the structural calculations for imposed loads. Tenant shall obtain from its contractors and provide to Landlord a list of all subcontractors providing labor or materials in connection with any portion of the Tenant Work prior to commencement of the Tenant Work. Tenant warrants that the design, construction and installation of the Tenant Work shall conform to the requirements of all applicable laws, including building, plumbing and electrical codes and parameters, and the requirements of any authority having jurisdiction over, or with respect to, such Tenant Work.

2. Costs. Subject to the terms and conditions of this Section 2, Landlord will provide Tenant with an allowance (the *"Reimbursement Allowance")* to be applied towards the cost of constructing the Tenant Work.

(A) Landlord's obligation to reimburse Tenant for Tenant's construction of the Tenant Work shall be: (i) limited to actual costs incurred by Tenant in its construction of the Tenant Work; (ii) limited to an amount up to, but not exceeding, $10.00 multiplied by the rentable square footage of the Premises; and (iii) conditioned upon Landlord 's receipt of written notice (which notice shall be accompanied by invoices and documentation set forth below) from Tenant that the

---

Tenant Work has been completed and accepted by Tenant. The cost of (a) all space planning, design, consulting or review services and construction drawings, (b) extension of electrical wiring from Landlord's designated location(s) to the Premises, (c) purchasing and installing all building equipment for the Premises (including any submeters and other above building standard electrical equipment approved by Landlord), (d) required metering, re-circuiting or re-wiring for metering, equipment rental, engineering design services, consulting services, studies, construction services, cost of billing and collections, (e) materials and labor, (f) a 1% project management fee as outlined below in section 4, payable to Landlord or its affiliates on total construction costs, and (g) an asbestos survey of the Premises if required by applicable law, shall all be included in the cost of the Tenant Work and may be paid out of the Reimbursement Allowance, to the extent sufficient funds are available for such purpose. Any reimbursement obligation of Landlord under this Work Letter shall be applied solely to the purposes specified above, as allocated, within 365 days after the Effective Date or be forfeited with no further obligation on the part of Landlord.

(B) Landlord shall pay the Reimbursement Allowance to Tenant within 45 days following Landlord's receipt of (i) third-party invoices for costs incurred by Tenant in constructing the Tenant Work; (ii) evidence that Tenant has paid the invoices for such costs; and (iii) final lien waivers from any contractor or supplier who has constructed or supplied materials for the Tenant Work. If the costs incurred by Tenant in constructing the Tenant Work exceed the Reimbursement Allowance, then Tenant shall pay all such excess costs and Tenant agrees to keep the Premises and the Project free from any liens arising out of the non-payment of such costs.

(C) All installations and improvements now or hereafter placed in the Premises other than building standard improvements shall be for Tenant's account and at Tenant's cost. Tenant shall pay ad valorem taxes and increased insurance thereon or attributable thereto, which cost shall be payable by Tenant to Landlord as additional Rent within 30 days after receipt of an invoice therefor. Tenant's failure to pay such cost shall constitute an event of default under the Lease.

3. ADA Compliance. Landlord shall not be responsible for determining whether Tenant is a public accommodation under ADA or whether the Approved Construction Documents comply with ADA requirements. Such determinations, if desired by Tenant, shall be the sole responsibility of Tenant. Landlord's approval of the Approved Construction Documents shall not be deemed a statement of compliance with applicable Laws, nor of the accuracy, adequacy, appropriateness, functionality or quality of the in1provements to be made according to the Approved Construction Documents.

4. Landlord's Oversight and Coordination. Construction of the Tenant Work shall be subject to oversight and coordination by Landlord, but such oversight and coordination shall not subject Landlord to any liability to Tenant, Tenant's contractors or any other person. Landlord has the right to inspect construction of the Tenant Work from time to time. A 1% project management fee shall be payable to Landlord or its affiliates by Tenant on total construction costs which amount Landlord may pay from the available Reimbursement Allowance.

5. Assumption of Risk and Waiver. Tenant hereby assumes all risks involved with respect to the Tenant Work and hereby releases and discharges all Landlord parties from any and

---

all liability or loss, damage or injury suffered or incurred by Tenant or third parties in any way arising out of or in connection with the Tenant Work.

Exhibit 10.33

LEASE AGREEMENT

by and between

GRE KEYSTONE TECHNOLOGIES ONE LLC

LANDLORD

and

LIQUIDIA TECHNOLOGIES, INC.

TENANT

Dated as of: June 29, 2007

EXHIBITS

A-1	-	Floor Plan(s)
A-2	-	The Land
A-3	-	The Project
B	-	Acceptance of Leased Premises Memorandum
C	-	Workletter Agreement
C-l	-	Schematic Space Plan
D	-	Building Rules
E	-	Form of Estoppel Certificate
F	-	Itemized Inventory of Hazardous or Toxic Materials
G	-	Renewal Options
H	-	First Offer Right

LEASE AGREEMENT

THIS LEASE AGREEMENT (this "Lease") is made and entered into as of this day of , 2007 (the "Execution Date'"), by and between **GRE Keystone Technology Park One LLC**, Delaware limited liability company authorized to conduct business in the State of North Carolina ("Landlord"), and Liquidia Technologies, Inc., Delaware corporation authorized to conduct business in the State of North Carolina ("Tenant"). In consideration of the representations and covenants contained herein and other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged. Landlord and Tenant hereby agree as follows:

ARTICLE 1 - LEASED PREMISES

1.01 Leased Premises.

Landlord leases to Tenant and Tenant leases from Landlord the space (the "Leased Premises") set forth in Subsections (a) and (b) of the Basic Lease Provisions below and shown on the floor plan(s) attached hereto as Exhibit A-l upon the terms and conditions set forth in this Lease. The building in which the Leased Premises are located, the land on which the building is located (the "Land", described on Exhibit A-2 attached hereto), the parking facilities and all improvements and appurtenances to the building are collectively referred to as the "Building". The Building may be part of a larger complex, and if so, then the Building and any larger complex of which the Building is a part are collectively referred to as the "Project", as shown on Exhibit A-3, attached hereto. No easement for light, air or view is granted hereunder or included within or appurtenant to the Leased Premises.

ARTICLE 2 - BASIC LEASE PROVISIONS

2.01 Basic Lease Provisions.

The following provisions set forth various basic terms of this Lease and are sometimes referred to as the "Basic Lease Provisions".

(a)	Building Name:	Keystone Technology Park - Building IV
	Address:	419 Davis Drive Durham, North Carolina 27713 (street address) Morrisville, North Carolina 27560 (mailing address)
(b)	Floor(s):	First (1")
	Suite Number:	600
	Square Feet Area in the Leased Premises:	Approximately 21,210
(c)	Total Area of Building:	Approximately 77,260 square feet
	Total Improved Leasable Area of Building:	Approximately 64,779 square feet
(d)	Base Rent:	
	Initial per Square Foot/Annum:	$10.50
	Initial Annual Base Rent:	$222,705.00
	Initial Monthly Base Rent:	$18,558.75
	Payment Schedule:	See chart below:

Full Month(s) of the Term	Targeted Date(s)	Price Per Square Foot (rounded)	Square Feet	Annual (or for time period noted) Base Rent	Monthly Base Rent
1 through 12	11/1/07 through 10/31/08	$ 10.50	21,210	$ 222,705.00	$ 18,558.75
13 through 24	11/1/08 through 10/31/09	$ 10.81	21,210	$ 229,386.12	$ 19,115.51
25 through 36	11/1/09 through 10/31/10	$ 11.14	21,210	$ 236,267.76	$ 19,688.98
37 through 48	11/1/10 through 10/31/11	$ 11.47	21,210	$ 243,355.80	$ 20,279.65
49 through 60	11/1/11 through 10/31/12	$ 11.82	21.210	$ 250,656.48	$ 20,888.04

Full Month(s) of the Term	Targeted Date(s)	Price Per Square Foot (rounded)	Square Feet	Annual (or for time period noted) Base Rent	Monthly Base Rent
61 through 72	11/1/12 through 10/31/13	$ 12.17	21.210	$ 258,176.16	$ 21,514.68
73 through 84	11/1/13 through 10/31/14	$ 12.54	21,210	$ 265,921.44	$ 22,160.12

(e)	TICAM Expenses for the initial calendar year of the Term:	
	Per Square Foot, Per Annum:	$2.80 per square foot leased
	Initial Monthly Payment:	$4,949.00
(f)	Parking:	4.0 unreserved parking spaces per each 1,000 square feet of space leased (rounded down to nearest whole number). Included in the above parking ratio will be four (4) unreserved parking spaces marked for "visitors" to the Building.
	Monthly Rent per Parking Space:	No additional charge to Tenant
(g)	Term:	7 Year(s) 0Month(s)
(h)	Target Commencement Date:	November 1,2007
	Target Expiration Date:	October 31, 2014
(i)	Security for the Lease:	$25,000.00
(j)	Permitted Use:	General office, laboratory, research and development, and light manufacturing
	Permitted Maximum Occupancy:	84 persons (rounded down to nearest whole number)
(k)	Addresses for notices and other communications (except for Rent payments) under this Lease:	

Landlord	Tenant
GRE Keystone Technology Park One LLC c/o Capital Associates 1100 Crescent Green, Suite 200 Cary, North Carolina 27518 (919)233-9901	Liquidia Technologies, Inc. 627 Davis Drive, Suite 500 Durham, North Carolina 27713 (street address) Morrisville, North Carolina 27560 (mailing address) Attn: Bruce Boucher (919)
	With a copy to: Kathy Worm, Esq. Hutchison Law Group PLLC 5410 Trinity Road, Suite 400 Raleigh, North Carolina 27607 (919) 829-4321

Landlord's address for Rent payments under this Lease:
GRE Keystone Technology Park One LLC
P.O. Box277327
Atlanta. GA 30384-7327

(l) Broker: Capital Associates
Co-Broker: Colliers Pinkard

(m) Tenant's Other Lease. Landlord and Tenant specifically acknowledge and agree that, as of the date of this Lease, (i) Tenant is in occupancy of approximately 4,401 rentable square feet of flex space contained in Suite 500 of another building in the Project, known as Keystone Technology Park - Building VII and

located at 627 Davis Drive, Durham, North Carolina 27713, pursuant to a separate lease agreement with an execution date of April 14, 2005, by and between another landlord in the Project, GRE Keystone Technology Park Two LLC, successor by acquisition of Technology V1I-IX, LLC and Tenant (as such may be amended, "Tenant's Other Lease"), and (ii) Tenant's Other Lease has an expiration date of August 31, 2010.

ARTICLE 3 - TERM AND POSSESSION

3.01 Term.

(a) This Lease shall be and continue in full force and effect for the term set forth in Subsection 2.01(g), as it may be modified, renewed and extended pursuant to Exhibit G or by written agreement between Landlord and Tenant (the "Term"). Subject to the remaining provisions of this Article, the "Commencement Date" shall be the date on which Landlord tenders possession of the Leased Premises to Tenant, which such date is anticipated to be the Target Commencement Date shown in Subsection 2.01(h). The Term shall commence on the Commencement Date and shall expire, without notice to Tenant, on the last day of the last month of the Term (the "Expiration Date") (*i.e.* if the Commencement Date is other than the first (1) day of the month, the Expiration Date shall nevertheless be the last day of the last month of the Term).

(b) If the Commencement Date and Expiration Date are different from the Target Commencement Date and the Target Expiration Date, respectively, as set forth in Subsection 2.01(h), Landlord shall prepare and, Landlord and Tenant shall execute an amendment to the Lease setting forth such actual dates, and adjusting any Base Rent payment schedule, if applicable. If such amendment is not executed, the Commencement Date and Expiration Date shall be conclusively deemed to be the Target Commencement Date and the Target Expiration Date set forth in Subsection 2.01(h).

(c) Upon the expiration or other termination of this Lease, Landlord shall have the right to immediately re-enter and take possession of the Leased Premises.

3.02 Commencement.

(a) Subject to Section 3.03 hereof, if, (i) any of the work described in Exhibit C that is required to be performed by Landlord or Landlord's contractors) to prepare the Leased Premises for occupancy has not been substantially completed on or before the Target Commencement Date or (ii) Landlord is unable to tender possession of the Leased Premises to Tenant on the Target Commencement Date, then the Commencement Date (and commencement of installments of Base Rent) shall be postponed until Landlord is able to tender possession of the Leased Premises to Tenant with the work to be performed in the Leased Premises having been substantially completed and the postponement shall operate to extend the Expiration Date in order to give full effect to the stated duration of the Term.

(b) The Leased Premises shall be deemed to be substantially complete the day after inspection and approval for occupancy for the intended use, whether permanent, conditional, or temporary, by the City of Durham, North Carolina, provided said approval is subsequently evidenced by a certificate of occupancy, whether permanent, conditional, or temporary, issued by said municipality, which such certificate of occupancy may be dated when actually processed by such municipality, rather than the date of the inspection and approval for occupancy.

(c) The deferment of installments of Base Rent shall be Tenant's exclusive remedy for postponement of the Commencement Date, and Tenant shall have no, and waives any, claim against Landlord because of any such delay.

3.03 Tenant's Delay.

No delay in the completion of the Leased Premises resulting from delay or failure on the part of Tenant in furnishing information or other matters required in Exhibit C, and no delay resulting from any cause set forth in Section 6 of Exhibit C, shall delay the Commencement Date, Expiration Date or

commencement of payment of Rent (as defined in Section 4.02 below). In addition to the foregoing, in the event any laboratory related material(s), equipment, or fixtures contained in the Upfit (defined in Exhibit C) requires more than eight (8) weeks to deliver to the Leased Premises for construction as part of the Upfit, then the time that is greater than eight (8) weeks for

Landlord's receipt of such item shall also constitute a Tenant delay (*e.g.*, if it takes nine (9) weeks for Landlord to receive an item contained in the Upfit then one (1) week of such time shall be a Tenant delay).

3.04 Tenant's Possession.

Except as specifically set forth in Exhibit C, Section 7, if, prior to the Commencement Date, Tenant shall enter into possession of all or any part of the Leased Premises and conducts any portion of its business operations therein, the Term, the payment of monthly installments of Base Rent and all other obligations of Tenant to be performed during the Term shall commence on, and the Commencement Date shall be deemed to be, the date of such entry; provided, no such early entry shall operate to change the Expiration Date.

3.05 Acceptance of Leased Premises.

Tenant shall confirm its acceptance of the Leased Premises by execution of the Acceptance of Leased Premises Memorandum attached hereto as Exhibit B. Tenant shall execute and deliver such Acceptance of Leased Premises Memorandum to Landlord within ten (10) business days of receipt thereof, and Tenant's failure to do same shall be considered an event of default under this Lease.

3.06 Holdover.

If Tenant shall remain in possession of the Leased Premises after the expiration or earlier termination of this Lease without the execution of a new lease or an amendment to this Lease extending the Term, Tenant shall become a tenant-at- sufferance, and for a period of sixty (60) calendar days after such termination or expiration, as the case may be, shall pay daily rent at one hundred fifty percent (150%) of the per day Rent (as defined in Section 4.02) payable with respect to the last full calendar month immediately prior to the end of the Term or termination of this Lease, but otherwise shall be subject to all of the terms, conditions, provisions and obligations of this Lease, and such tenancy may be terminated at any time on seven (7) calendar days' prior written notice. After such sixty (60) day period Tenant shall continue to be a tenant-at-sufferance, terminable on one (1) day's notice, and shall pay daily rent at double the per day Rent payable with respect to the last full calendar month immediately prior to the end of the Term or termination of this Lease, but otherwise shall be subject to all of the obligations of Tenant under this Lease. Tenant shall indemnify Landlord (i) against all claims for damages by any other tenant to whom Landlord may have leased all or any part of the Leased Premises effective upon the termination or expiration of this Lease, and (ii) for all other losses, costs and expenses, including consequential damages and reasonable attorneys' fees, sustained or incurred by reason of such holding over. In the event of any holdover and failure of Tenant to pay the holdover rent set forth herein, Landlord shall have the right to immediately apply the Security (as defined and set forth in Section 4.07) to the Rent, at the holdover rate set forth herein, for as many days as would be represented by the amount of the Security. Nothing contained herein shall be construed as a consent by Landlord to any holding over by Tenant. The rights and obligations contained in this Section shall survive the expiration or other termination of this Lease.

3.07 Condition of Leased Premises.

(a) As of the Commencement Date of the Lease, to the best of Landlord's knowledge, the Leased Premises and the Total Improved Leasable Area of Building (including the roof) (i) shall comply with all applicable laws, statutes, orders, ordinances, rules and regulations, including, without limitation, all applicable mechanical, electrical and plumbing codes (the "Laws"), (ii) shall be suitable for the purpose for which they are let, and (iii) shall be in good repair and condition.

(b) (i) Notwithstanding the foregoing, Tenant expressly understands and agrees that Tenant shall be obligated to fully pay for any work and materials required to bring the Leased Premises into compliance with all applicable laws, statutes, orders, ordinances, rules, regulations and mechanical, electrical and plumbing codes when such required work arises out of any one (1) or more of the following: (A) Tenant's use of the Leased Premises, or a portion of the Leased Premises, for anything other than general office purposes (*i.e.*, "other than general office purposes" shall include, but not be limited to, laboratory, research and development, and light manufacturing purposes); (B) the fact that the square footage of the Leased Premises is less than that of the Total Improved Leasable Area of Building as such is stated in Section 2.01(c); (C) Tenant's desired configuration of the Leased Premises or a portion of the Leased Premises; (D) any changes in applicable laws, statutes, orders, ordinances, rules, regulations and/or mechanical, electrical and plumbing codes which become effective after the Commencement Date. Landlord expressly understands and agrees that any work and the need for materials arising

out of that which is described in subsections (b)(i)(A) through (b)(i)(D) above may be paid for out of the Allowance and/or the Additional Allowance (as described and set forth in Exhibit C and Section 4.09).

(ii) Subject to subsections (b)(i) (A) through (C) above. Landlord shall be fully responsible for any costs associated with any work or materials required to be completed in order to make the Leased Premises and the Total Improved Leasable Area of Building compliant with the Laws as of the Commencement Date, and, notwithstanding Section 9.06 of this Lease (Default by Landlord), in the event a violation of the Laws is discovered during construction of the Upfit, and such violation does not arise out of any of the circumstances stated in subsection (b)(i) (A) through (C) above, Landlord shall, in good-faith and using commercially reasonable efforts, diligently proceed to remedy any such violation.

(c) Landlord further agrees to use its best efforts to cause the Upfit (defined in Exhibit C) to be constructed in a good and workmanlike manner. Upon the completion of the Upfit, Landlord and Tenant shall perform a "walk-through" of the Leased Premises and shall compile a "punch-list" of remaining Upfit items to be completed by Landlord within thirty (30) days of the walk-through of the Leased Premises.

ARTICLE 4 - RENT AND SECURITY FOR THE LEASE

4.01 Base Rent.

Tenant shall pay to Landlord rent ("Base Rent") beginning on the Commencement Date and throughout the Term in the amount of the Annual Base Rent. Tenant's obligation to pay Rent is independent of any obligation of Landlord under this Lease. Base Rent shall be payable in monthly installments in the amount set forth in Subsection 2.01(d) ("Monthly Base Rent") in advance and without demand, deduction or offset, on the first day of each and every calendar month during the Term. If the Commencement Date is not the first day of a month, Tenant shall be required to pay on the Commencement Date a pro rata portion of the Initial Monthly Base Rent for the first partial month of the Term. However, any references to any "month" of the Term elsewhere in this Lease shall mean a full month of the Term.

4.02 Payment of Rent.

As used in this Lease, "Rent" shall mean the Base Rent, Additional Rent (defined below), late charges, and all other amounts required to be paid by Tenant pursuant to this Lease. The Rent shall be paid at the times and in the amounts provided herein by check drawn on a United States of America bank to Landlord at its address specified in Subsection 2.01(k) above, or to such other person or at such other address as Landlord may from time to time designate in writing. The Rent shall be paid without notice, demand, abatement, deduction or offset except as may be expressly set forth in this Lease.

4.03 Additional Rent

The term "Additional Rent" shall mean the total of the "TICAM Expense Adjustment", as such term is defined below, and any other amounts in addition to Base Rent which Tenant is required to pay to Landlord under this Lease, including, but not limited to, Tenant's repayment to Landlord of the Amortized Allowance (defined in Section 4.09).

4.04 TICAM Expense Adjustment

(a) If the TICAM Expenses (defined below) for the Building for any calendar year, expressed on a per square foot basis, exceed the TICAM Expenses for the initial calendar year of the Term specified in Subsection 2.01(e), Tenant shall pay to Landlord increased Rent (a "TICAM Expense Adjustment") in an amount equal to the product of such excess times the square feet of the Leased Premises as stated in Subsection 2.01(b). The TICAM Expense Adjustment shall be payable in monthly installments on the first day of each calendar month based on Landlord's estimate of the TICAM Expenses for the then current year.

(b) Landlord may at any time give Tenant written notice specifying Landlord's estimate of the TICAM Expenses for the then current calendar year or the subsequent calendar year and specifying the TICAM Expense Adjustment to be paid by Tenant for each such year, and Tenant shall adjust its payments accordingly beginning with the monthly installment immediately following Landlord's notice.

(c) Within one hundred twenty (120) calendar days after the end of each calendar year, Landlord shall give written notice to Tenant specifying the actual TICAM Expenses for the prior calendar year and any necessary adjustment to the TICAM Expense Adjustment paid by Tenant for that calendar year (the "Notice"). Tenant shall pay any deficit amount to Landlord within thirty (30) calendar days after receipt of Landlord's written notice. Any excess payment by Tenant for the prior calendar year shall reduce the TICAM Expense Adjustment for the following calendar year. If there is any excess payment applicable to the last year of the Term, Landlord shall refund such excess to Tenant within thirty (30) calendar days of sending the Notice applicable to the final year of the term. This obligation shall survive termination of this Lease Notwithstanding the foregoing, for purposes of determining Tenant's annual TICAM Expense Adjustment in any calendar year of the Term, the TICAM Expenses which are controllable by Landlord (the "Controllable Expenses") shall not exceed the Controllable Expenses for the first (1st) calendar year of the Term increased at a rate of five percent (5%), compounded annually. There shall be no such limitation with respect to taxes, insurance, utilities, refuse collection, snow removal, and any other TICAM Expense item not within Landlord's reasonable control (the "Uncontrollable Expenses"). All other TICAM Expenses, other than the Uncontrollable Expenses, shall be Controllable Expenses.

(d) Tenant shall have the right, one (1) time per year, upon written notice to Landlord, within sixty (60) calendar days of receipt of the Notice, to have Landlord's books and records relating solely to TICAM Expenses contained in the statement for the prior year, reviewed. If Landlord's calculation of TICAM Expenses fails to comply with the requirements of this Section 4.4 or contains any other error, as determined by the review, Tenant's past payments of its proportionate share of TICAM Expenses for the subject year shall be adjusted in accordance with the results of the review, and appropriate payments shall be made by Landlord or Tenant, as the case may be, within forty-five (45) calendar days after completion of the review.

(e) All books and records necessary to accomplish any review permitted under this Section 4.04 shall be retained by Landlord for a period of one (1) year, and shall be made available to the person conducting the review at the Building, Project or the office of Landlord's property manager, during normal business hours. All of Landlord's and Tenant's costs of the review shall be paid by Tenant unless the review reveals that total TICAM Expenses controllable by Landlord were misstated by five percent (5%) or more in the calendar year reviewed, in which case Landlord shall reimburse Tenant for Tenant's reasonable cost of the review, not to exceed One Thousand Five Hundred Dollars ($1,500.00). The rights and obligations contained in this Section 4.04 shall survive the expiration or other termination of this Lease.

(f) The term "TICAM Expenses" shall mean, except as otherwise specified in this definition, all expenses, costs, and disbursements of every kind and nature, computed on an accrual basis, which Landlord shall pay or become obligated to pay because of or in connection with the ownership and operation of the Building, or Landlord's efforts to reduce TICAM Expenses, including, without limitation:

(1) wages and salaries of all employees to an extent commensurate with such employees' involvement in the operation, repair, replacement, maintenance, and security of the Building, including, without limitation, amounts attributable to the employer's Social Security Tax, unemployment taxes, and insurance, and any other amount which may be levied on such wages and salaries, and the cost of all insurance and other employee benefits related thereto;

(2) all supplies and materials used in the operation, maintenance, repair, replacement and security of the Building;

(3) the rental costs of any and all leased capital improvements and the annual amortization of any and all capital improvements made to the Building which, although capital in nature, can reasonably be expected to reduce the normal operating costs of the Building, to the extent of the lesser of such expected reduction in TICAM Expenses or the annual

amortization of such capital improvements, as well as all capital improvements made in order to comply with any legal requirement hereafter promulgated by any governmental authority including, but not limited to, requirements relating to the environment, energy, conservation, public safety, access for the disabled or security, as amortized over the useful life of such improvements by Landlord for federal income tax purposes;

(4) the cost of all utilities for the Building, other than the cost of utilities supplied to tenants of the Building which are separately metered or reimbursed to Landlord by such tenants;

(5) the cost of all maintenance and service agreements with respect to the operation of the Building or any part thereof, including, without limitation, trash removal from a Building common area dumpster, management fees, alarm service, equipment, landscape maintenance and parking area maintenance and operation;

(6) the cost of all insurance relating to the Building and each of the premises contained therein, including, without limitation, casualty and liability insurance applicable to the Building and Landlord's personal property used in connection therewith;

(7) all taxes and assessments and governmental charges, whether federal, state, county, or municipal, and whether by taxing districts or authorities presently taxing or by others, subsequently created or otherwise, including all taxes levied or assessed against or for leasehold improvements and any other taxes and assessments attributable to the Building and the operation thereof, together with the reasonable cost (including attorneys, consultants and appraisers) of any negotiation, contest or appeal pursued by Landlord in an effort to reduce any such tax, assessment or charge, excluding, however, federal and state taxes on Landlord's income, but including all rental, sales, use and occupancy taxes or other similar taxes, if any, levied or imposed by any city, state, county, or other governmental body having j jurisdiction;

(8) the cost of all repairs, replacements, removals and general maintenance with respect to the Building, including without limitation, the exterior walls, doors, windows, roof, paving, walkways, landscaping and signage;

(9) the cost of all repairs, replacements, removals and general maintenance of any common plumbing, mechanical, and electrical systems, including without limitation, any fire sprinkler system, whether interior or exterior;

(10) the cost of all repairs, replacements, removals and general maintenance for any structural component of the Building; and

(11) pro rata assessments, based upon acreage, for the costs and expenses of maintaining the common areas of the Building and Project, if applicable, and any assessments owed to any property owners' association.

(g) Specifically excluded from TICAM Expenses are:

(1) expenses for capital improvements made to the Building, other than capital improvements described in Section 4.04(f)(3) above and except for items which, though capital for accounting purposes, are properly considered maintenance and repair items, such as painting of the Building exterior and painting and/or wallpapering of common areas and like items;

(2) expenses for repair, replacement and general maintenance paid by proceeds of insurance or by Tenant or other third parties;

(3) alterations attributable solely to tenants of the Building other than Tenant;

(4) increases in taxes resulting from higher valuations of the Building attributable to Tenant's Upfit (defined in Exhibit C) or alterations made by Tenant in excess of typical up fits in the Building, which increase shall be paid by Tenant as Additional Rent;

(5) depreciation of the Building;

(6) leasing commissions; and

(7) federal and state income taxes imposed on Landlord.

Notwithstanding anything to the contrary in the specific exclusions from TICAM Expenses set forth above, TICAM Expenses shall, also, not include the following:

(i) Landlord's general corporate overhead and general administrative expenses, other than charges for property management and in-house labor provided for maintenance of the Building;

(ii) costs arising from Landlord's charitable or political contributions;

(iii) federal and state income and franchise taxes of Landlord or any other such taxes not in the nature of real estate taxes, except taxes on Rent;

(iv) management fees to the extent they exceed the greater of (a) reasonable, similar costs incurred in comparable office buildings in the Raleigh, North Carolina area, or (b) five percent (5%) of the gross receipts of the Building;

(v) salaries, wages or other compensation paid to officers or executives of Landlord above the level of property manager in their respective capacities;

(vi) overhead and profit increments paid to subsidiaries or affiliates of Landlord for services on or to the Building or Project, to the extent only that the costs of such services exceed competitive costs of such services were they not rendered by a subsidiary or affiliate;

(vii) any compensation paid to clerks, attendants or other persons in commercial concessions operated by Landlord;

(viii) capital expenditures required by Landlord's gross negligence or willful misconduct to comply with laws enacted on or before the Commencement Date of the Lease;

(ix) costs incurred by Landlord for the repair of damage to the Building, to the extent Landlord is reimbursed by insurance proceeds;

(x) renovating or otherwise improving or decorating, painting or redecorating space leased to other tenants or other occupants of the Building;

(xi) costs for sculpture, paintings or other objects of art;

(xii) electrical power costs and other services for which any tenant directly contracts with the local service company;

(xiii) expenses in connection with services or other benefits which are not available to Tenant or for which Tenant is charged directly, but which are not provided to another tenant or occupant of the Building;

(xiv) all items and services for which Tenant has reimbursed Landlord or has paid to third persons;

(xv) any ground lease rental;

(xvi) interest, principal, points and fees on debts, or amortization on any mortgage or other debt instrument encumbering the Building or the Land;

(xvii) legal and other costs associated with the mortgaging, refinancing or sale of the Building, Land or Project or any interest therein;

(xviii) tax penalties incurred as a result of Landlord's gross negligence, willful misconduct or inability to make payments when due;

(xix) any costs and expenses related to or incurred in connection with disputes with tenants of the Building or Land or any lender for the Building or Land; and

(xx) costs associated with leasing or marketing space in the Building, including tenant improvements, advertising, lease commissions, legal fees to negotiate leases, space planning and marketing materials.

(h) If the average occupancy rate for the Building is less than ninety-five percent (95%) in any calendar year of the Term, or if Landlord is providing less than ninety-five percent (95%) of the Building with any item or items of work or service which would constitute a TICAM Expense hereunder, then the amount of the TICAM Expenses for such period shall be adjusted to include any and all items enumerated under the definition of TICAM Expenses set forth in this Subsection which Landlord reasonably determines Landlord would have incurred if the Building had been at least ninety-five percent (95%) leased and occupied with all tenant improvements constructed or if Landlord had been providing such item or items of work or service to at least ninety-five percent (95%) of the Building. If the actual occupancy rate for the Building is ninety-five percent (95%) or greater, then the actual TICAM Expenses shall be used for purposes of determining the TICAM Expense Adjustment described in this Section 4.04.

4.05 Cost of Living Adjustment.

Intentionally deleted.

4.06 Net Lease.

It is the intention of Landlord and Tenant that, except for the costs and expenses specifically provided for herein to the contrary, all costs, expenses and obligations of every kind relating directly or indirectly in any way, foreseen or unforeseen, to Tenant's use, occupancy, possession, maintenance, repair and replacement of the Leased Premises, or any part thereof, which may arise or become due during the Term shall be paid promptly and in full by Tenant and that Landlord shall be indemnified by Tenant therefrom.

4.07 Security for the Lease.

(a) Tenant shall deposit with Landlord on the date Tenant executes this Lease, security for the payment of all Rent and other charges owed by Tenant pursuant to this Lease and the performance by Tenant of all of Tenant's obligations under this Lease in the amount specified in Subsection 2.01(i) (the "Security") on the understanding that: (i) the Security or any portion thereof may be applied to the curing of any default, or the payment of any damages sustained by Landlord due to Tenant's failure to perform its obligations, including, but not limited to, the payment of Rent and any alteration and repair obligations under Article 7 herein, without prejudice to any other remedy or remedies at law or in equity which Landlord may have on account thereof, and upon such application Tenant shall pay Landlord on demand, by check drawn on a United States of America bank, the amount SC applied which shall be

added to the remaining balance of the Security so the same will be restored to its original amount; (ii) Landlord shall not be obligated to hold the Security as a separate fund, and may commingle it with other funds; and (iii) within thirty (30) calendar days after the expiration of the Term, provided Tenant is not in default at the expiration of the Term and has delivered exclusive possession of the Leased Premises to Landlord, the remaining balance of the Security shall be returned tc Tenant, without interest, which shall belong to Landlord. Tenant acknowledges that any mortgagee of Landlord will not be liable for the refund of any amount Tenant has paid to Landlord as Security to the extent such amount is not delivered to the mortgagee.

(b) The rights and obligations contained in this Section 4.07 shall survive the expiration or other termination of this Lease.

4.08 Late Charge.

If Tenant fails or refuses to pay any installment of Rent when due, Landlord, shall have the right to collect a late charge of five percent (5%) of the amount of the late payment to compensate Landlord for the additional expense involved in handling delinquent payments and not as interest; provided, however, that Tenant shall be allowed one (1) late payment of Rent in each calendar year of the Term, which late payment shall not be subject to a

late charge hereunder so long as such Rent is paid within five (5) calendar days of the due date. If the payment of a late charge required by this Section is found to constitute interest notwithstanding the contrary intention of Landlord and Tenant, the late charge shall be limited to the maximum amount of interest that lawfully may be collected by Landlord under applicable law, and if any payment is determined to exceed such lawful amount the excess shall be applied to any unpaid Rent then due and payable hereunder and/or credited against the next succeeding installment of Rent payable hereunder. If all Rent payable hereunder has been paid in full, any excess shall be refunded to Tenant Tenant shall reimburse Landlord for any processing fees charged to Landlord as a result of Tenant's checks having been returnee for insufficient funds.

4.09 Amortization of Excess Upfit

If (i) the actual cost of designing and constructing the Upfit (as defined in Exhibit C) exceeds the amount of the Allowance (as defined in Exhibit C) (the "Excess Original Upfit"), and (ii) Tenant has not been in default in the payment of Ren or other sums due more than one (1) time during the Term, and (iii) Tenant provides written notice to Landlord that Tenant elect: to make additional Landlord-approved improvements to the Leased Premises on or before the end of the twenty-fourth (24th) month after the Commencement Date (unless otherwise agreed to by Landlord and Tenant) (the "Additional Upfit"), then Landlord shall pay for, and then receive from Tenant as set forth herein, such excess amount, up to a maximum of Seven Hundred Sixty-Eight Thousand Eight Hundred Sixty-two Dollars and Fifty Cents ($768,862.50) (the "Amortized Allowance"). Such Amortize Allowance shall be amortized using an annual interest rate of seven percent (7%) and shall be payable by Tenant as Additional Rent. Tenant may use all or a portion of such Amortized Allowance for either the Excess Original Upfit or the Additional Upfit To the extent that Tenant uses any portion of the Amortized Allowance for the Excess Original Upfit, then Tenant shall commence payment of such amount on the Commencement Date and such amount shall be amortized over the Term (but not any Renewal Term as defined in Exhibit G) and payable by Tenant as Additional Rent. To the extent that Tenant uses any portion of the Amortized Allowance for the Additional Upfit, then Tenant shall commence payment of such amount as Additional Rent in the month following completion of such Additional Upfit and such amount shall be amortized over the remaining Term (but not an} renewal Term). In the event Tenant desires to exercise this option, Tenant shall so notify Landlord, in writing, and Landlord am Tenant shall promptly enter into an amendment to this Lease setting forth the amount of such Additional Rent.

ARTICLE 5 - SERVICES

5.01 Services.

(a) From and after the Commencement Date, Tenant shall pay or cause to be paid directly to the supplier all rents charges and rates for all utility services related to Tenant's use of the Leased Premises, which may include, without limitation, gas electricity, water, sewer, telephone, trash removal from the Leased Premises and the like, including all utilities necessary for heating and air conditioning the Leased Premises.

(b) If any such utilities are not separately metered or assessed or are only partially separately metered or assessed and are available for use in common with other tenants in the Building, Tenant shall pay to Landlord within ten (10) calendar days of receipt of Landlord's invoice, a proportionate share of such charges for utilities available for use in common based on square footage of space leased to each tenant using such common facilities. Landlord may install re-registering meters and collect any and all utility charges as aforesaid from Tenant, making returns to the proper public utility company or governmental unit, provided that Tenant shall not be charged more than the rates it would be charged for the same services if furnished directly to the Leased Premises by such companies or governmental units.

(c) At the option of Landlord, any utility or related service which Landlord may at any time elect to provide to the Leased Premises may be furnished by Landlord or any agent employed by or independent contractor selected by Landlord, and Tenant shall accept the same therefrom to the exclusion of all other suppliers so long as the rates charged by the Landlord or by the supplier of such utility or related service are competitive.

(d) If Tenant fails to pay any utility bills when due, Landlord shall have the right, after giving Tenant ten (10) calendar days' written notice of Tenant's failure to pay such utility bills, to thereafter pay such delinquent utility bills. Tenant shall reimburse Landlord, within ten (10) calendar days of receipt of Landlord's invoice, for the amount of such delinquent utility bills paid by Landlord together with a surcharge of fifteen percent

(15%) of the amount due. Such sums shall be added to the Rent next due hereunder and shall become Additional Rent for the purposes hereof. Tenant shall be solely responsible for any janitorial service to the Leased Premises.

(e) If (i) the services which Landlord is obligated to provide are continuously interrupted for four (4) consecutive business days ("Interruption"), and (ii) Tenant is unable to conduct business in the Leased Premises, and (iii) Tenant has notified Landlord immediately in writing that Tenant is unable to conduct its business, and (iv) the Interruption is due to the gross negligence or willful misconduct of Landlord, its employees or agents, and such services are not restored by Landlord, if under Landlord's reasonable control, Tenant shall be entitled to an abatement of Rent on a day-for-day basis. The abatement shall begin on the fifth (5th) consecutive business day of the Interruption and shall end automatically when the services are restored.

5.02 Interruption of Services.

Except as otherwise set forth herein, Landlord shall have no liability to Tenant for disruption, interruption or curtailment of any utility service to the Leased Premises, whether or not furnished by Landlord, and in no event shall such disruption, interruption or curtailment constitute constructive eviction or entitle Tenant to an abatement of rent or other charges, nor relieve Tenant from its obligation to fulfill any covenant or agreement hereof.

5.03 Additional Charges.

In the event that any charge or fee is required after the Commencement Date by the State of North Carolina, or by any agency, subdivision or instrumentality thereof, or by any utility company furnishing services or utilities to the Leased Premises, as a condition precedent to furnishing or continuing to furnish utilities or services to the Leased Premises, such charge or fee shall be deemed to be a utility charge payable by Tenant. The provisions of this Section 5.03 shall include, but not be limited to, any charges or fees for present or future water or sewer capacity to serve the Leased Premises, any charges for the underground installation of gas or other utilities or services, and other charges relating to the extension of or change in the facilities necessary to provide the Leased Premises with adequate utility services. In the event that Landlord has paid any such charge or fee after the date hereof, Tenant shall reimburse Landlord for such utility charge with the payment thereof to be Additional Rent for purposes hereof.

ARTICLE 6 - USE AND OCCUPANCY

6.01 Use and Occupancy.

(a) Tenant (and its permitted assignees, subtenants, invitees, customers, and guests) shall use and occupy the Leased Premises solely for the purpose that is specified in Subsection 2.01(i). However, upon Landlord's prior written agreement. Tenant may change such purpose.

(b) Tenant shall not use or occupy the Leased Premises, or permit any portion of the Leased Premises to be used or occupied, for any business or purpose, or in any manner, by any number of persons greater than that specified in Subsection 2.01(j).

(c) Tenant shall not use or occupy the Leased Premises, or permit any portion of the Leased Premises to be used or occupied, for any business or purpose, or in any manner, which (i) is unlawful, disreputable or deemed to be extra-hazardous on account of fire or exposure to or interference from electromagnetic rays and/or fields, (ii) violates the Building Rules, and/or (iii) unreasonably increases the rate of fire insurance coverage on the Building or its contents.

(d) Tenant shall conduct its business and control its employees and agents and all other persons entering the Building under the express or implied invitation of Tenant, in such manner as not to create any nuisance, or interfere with, annoy or disturb any other tenant or Landlord in its operation of the Building.

(e) Tenant shall not grant any concession or license within the Leased Premises or allow any person other than Tenant, its partners, managers, members, officers, directors, employees, consultants and agents to occupy or use the Leased Premises or any portion thereof.

(f) Landlord shall provide Tenant with the number of unreserved parking spaces set forth in Subsection 2.01(f) of this Lease (which number includes Tenant's pro rata share of the total number of spaces for the Building designated for handicapped or visitors), at no additional charge. Landlord shall identify four (4) of such unreserved parking spaces for visitors to the Building. Tenant shall notify Landlord promptly of any additional parking needs, which needs may, in Landlord's sole discretion, be considered on a case-by-case basis.

(g) Tenant may, at Tenant's sole cost and expense, and with prior written approval from Landlord, which approval shall not be unreasonably withheld, and the City of Durham, North Carolina, install Tenant's trademarked logo and tradename with stylized print on the parapet of the Building at or near Tenant's primary entry. Tenant may also install vinyl identification graphics on the front window adjacent to the front door at the Leased Premises. All such signage shall be (i) tastefully and professionally done in a manner consistent with the standard(s) for the Building (but in accordance with Tenant's stylized print), (ii) non-exclusive, and (iii) shall be subject to all federal, state, and local statutes, ordinances, codes and regulations. Following the expiration or earlier termination of this Lease, Landlord shall remove all of Tenant's signage on the parapet of the Building, if any, and repair the Building from any damage caused by such signage, at Tenant's sole cost and expense.

6.02 Care of the Leased Premises.

(a) Tenant shall not commit or allow to be committed any waste or damage to any portion of the Leased Premises, or the Building or the Project, if applicable, nor permit or suffer any overloading of the floors or other use of the improvements that would place an undue stress on the same or any portion thereof beyond that for which the same was designed, and, at the termination of this Lease, by lapse of time or otherwise, Tenant shall deliver up the Leased Premises to Landlord in as good a condition as existed on the date of possession by Tenant, ordinary wear and tear, and loss by insured casualty and condemnation excepted.

(b) Tenant shall not use, suffer or permit the Leased Premises, or any portion thereof, to be used by Tenant, any third party or the public in such manner as might reasonably tend to impair Landlord's title to the Leased Premises, or any portion thereof, or in such manner as might reasonably make possible a claim or claims of adverse usage or adverse possession by the public, as such, or third persons, or of implied dedication of the Leased Premises, or any portion thereof. Tenant shall have no authority, express or implied, to create or place any lien or encumbrance of any kind or nature whatsoever upon, or in any manner to bind, the interest of Landlord in the Leased Premises for any claim in favor of any person dealing with Tenant including those who may furnish materials or perform labor for any construction or repairs, and each such claim shall affect and each such lien shall attach to, if at all, only the interest of Tenant in the Leased Premises. Tenant shall pay or cause to be paid all sums legally due and payable by it on account of any labor performed or materials furnished in connection with any work performed on the Leased Premises, and Tenant shall save and hold Landlord harmless from any and all loss, cost or expense based on or arising out of asserted claims or liens against the Leased Premises or Tenant's interest therein or against the rights, titles and interests of Landlord in the Leased Premises or under the terms of this Lease.

(c) Tenant shall notify Landlord at least ten (10) business days prior to vacating the Leased Premises and shall arrange to meet with Landlord to jointly inspect the Leased Premises. If Tenant does not give such notice or meet for such joint inspection, then Landlord's inspection of the Leased Premises shall be deemed accurate for the purpose of determining Tenant's responsibility for repair and restoration of the Leased Premises.

(d) In the event Tenant has not removed all of its equipment and personal property from the Leased Premises within five (5) calendar days of the expiration or other termination of this Lease, then Landlord shall have the right to (i) remove Tenant equipment and personal property from the Leased Premises, and/or (ii) retain, dispose of or sell any or all of Tenant's equipment and persona] property, all without incurring any liability to Tenant whatsoever, and in the event of any such sale, Landlord shall have the right to immediately apply the proceeds of the sale and/or the Security to any amount(s) due under this Lease, including the costs of such removal, retention, disposal and/or sale.

(e) The rights and obligations contained in this Section 6.02 shall survive the expiration or other termination of this Lease.

6.03 Hazardous or Toxic Materials.

(a) When used herein, the term "Hazardous or Toxic Material(s)" shall include all materials and substances which have been determined to be hazardous to health or the environment and are regulated by applicable federal, state and/or local laws, as the same may be amended from time to time, and all rules, regulations, ordinances, opinions, orders and directives issued or promulgated pursuant to or in connection with said laws by any governmental or quasi-governmental agency, body or authority having jurisdiction ("Environmental Law(s)").

(b) Tenant shall not cause or allow to occur any violation of any Environmental Laws on, under or about the Leased Premises, the Building or the Project. Whenever any Environmental Law requires the "owner or operator" to do any act, Tenant shall do such act at its sole cost and expense with respect to matters or conditions arising out of Tenant's use or occupancy of the Leased Premises.

(c) Except as otherwise set forth herein, Tenant shall not cause or allow the receipt, storage, use, generation, manufacture, refining production, processing, location, handling or disposal anywhere in, on, under or about the Leased Premises, the Building or the Project, or the transportation to or from the Leased Premises, the Building or the Project, of any product, material or merchandise which is explosive, highly inflammable, injurious to health, or a Hazardous or Toxic Material.

(d) Notwithstanding the foregoing, Tenant shall not be in breach of this provision as a result of the presence in the Leased Premises of Hazardous or Toxic Materials which are in quantities reasonably necessary for or incidental to Tenant's normal and customary conduct of business and are in strict compliance with all Environmental Laws.

(e) Landlord acknowledges that Tenant will be using the substances listed in Exhibit F. as such Exhibit may be amended in writing from time to time by the parties, in the Leased Premises, which use shall nevertheless be in accordance with all Environmental Laws. During the Term, Tenant shall provide to Landlord all information regarding the use, generation, storage, transportation and/or disposal of Hazardous or Toxic Materials within ten (10) business days of Landlord's written request (which such request may be sent by electronic mail (e-mail)). If Tenant fails to fulfill any duty imposed under this subsection (e) within said ten (10) business day period. Landlord shall have the right to prepare, and in such case Tenant shall fully cooperate with Landlord in the preparation of, all documents Landlord reasonably deems necessary or appropriate to determine the applicability of any Environmental Laws to the Premises and Tenant's use thereof, and for compliance therewith, and Tenant shall execute all such documents within five (5) business days of Landlord's request. No such action by Landlord and no attempt(s) made by Landlord to mitigate damages under any Environmental Law shall constitute a waiver of any of Tenant's obligations under this Lease.

(f) Tenant shall, at Tenant's own cost and expense: (i) comply with all Environmental Laws, and (ii) make all submissions to, provide all information required by, and comply with all requirements of all governmental and quasi-governmental agencies, bodies and authorities having jurisdiction (the "Authority(ies)") under the Environmental Laws arising in connection with its obligations under this Section 6.03.

(g) Should any Authority or any third party demand that a cleanup plan be prepared and that a cleanup be undertaken because any deposit, spill, discharge or other release of Hazardous or Toxic Material(s) occurs in the Leased Premises, the Building or elsewhere in the Project (and such deposit, spill, discharge or other release of Hazardous or Toxic Material(s) was caused by Tenant or Tenant's partners, managers, members, officers, directors, employees, shareholders, agents, contractors, customers or any person entering the Leased Premises, Building or Project under the express or implied invitation of Tenant) during the Term from Tenant's use or occupancy of the Leased Premises, then Tenant shall, at Tenant's own cost and expense, prepare and submit the required plans and all related bonds and other financial assurances, and Tenant shall carry out all such cleanup plans at Tenant's own expense, or at Landlord's option, reimburse Landlord for the cost of each of the foregoing.

(h) In addition to the foregoing, Tenant acknowledges that Landlord shall have the right to obtain, at Tenant's sole cost and expense, a report from an independent third-party consultant that is satisfactory to Landlord (with Landlord acting reasonably in its selection), in a form that provides detailed information about the extent to which any Hazardous or Toxic Materials are present in the Leased Premises and that includes a warranty of the accuracy of the information provided, at the request of Landlord at least sixty (60) calendar days prior to the

scheduled Expiration Date (as such may be extended per written agreement between Landlord and Tenant) or other termination of this Lease. In the event such report indicates the presence of any Hazardous or Toxic Materials in the Leased Premises above the levels established by the applicable Authorities, Tenant shall arrange for the clean-up of the Leased Premises by a company that is satisfactory to Landlord (with Landlord acting reasonably in its approval), in strict and complete compliance with all applicable Environmental Laws, prior to the Expiration Date or other termination of this Lease, at Tenant's sole cost and expense, and Tenant shall arrange to have the Leased Premises re-inspected by such consultant and to have another report issued. Tenant's responsibility to arrange and pay for such clean-up(s) and re- inspection^) shall continue until the consultant's report warrants that the Leased Premises are completely free of Hazardous or Toxic Materials or that the residue levels of any such Hazardous or Toxic Materials are within legal limits.

(i) The rights and obligations contained in this Section 6.03 shall survive the expiration or other termination of this Lease.

6.04 Entry for Repairs and Inspection.

Tenant shall, upon at least twenty-four (24) hours advance notice by Landlord, except in the case of an emergency when no notice is required, permit Landlord and its contractors, agents and representatives to enter into and upon any part of the Leased Premises at all reasonable hours and for a reasonable length of time to inspect the same, make repairs, or show the same to prospective lenders or purchasers at any time during the Term and during the last six (6) months of the Term (or, in the event Tenant is not in occupancy of the Leased Premises, during the last twelve (12) months of the Term) show the same to prospective tenants, and for any other purpose as Landlord may deem necessary or desirable. Landlord or its contractor(s), agent(s) or representative(s) shall be accompanied by a representative of Tenant at all times while in the Leased Premises, except in the case of an emergency or as otherwise agreed to by Landlord and Tenant. Tenant shall not be entitled to any abatement or reduction of Rent by reason of any such entry. In the event of an emergency, when entry to the Leased Premises shall be necessary, and if Tenant shall not be personally present to open and permit entry into the Leased Premises, Landlord or Landlord's agent may enter the same by master key, code, card or switch, or may forcibly enter the same, without rendering Landlord or such agents liable therefor, and without, in any manner, affecting the obligations and covenants of this Lease.

6.05 Compliance with Laws; Rules of Building.

(a) Tenant shall comply with, and Tenant shall cause its employees and agents and all other persons entering the Building under the express or implied invitation of Tenant to comply with, all laws, ordinances, orders, rules, regulations (state, federal, municipal and other agencies or bodies having any jurisdiction thereof), and any recorded covenants, conditions and restrictions of the Project, which relate to the use, condition or occupancy of the Leased Premises, the Building or the Project, including, without limitation, all local, state and federal environmental laws, and the Building Rules, attached hereto and incorporated herein as Exhibit D. as such are reasonably altered by Landlord from time to time, provided that Tenant receives a written copy of such amended Building Rules.

(b) Landlord represents and warrants, to the best of its knowledge and based upon no independent investigation that, as of the date of this Lease, Landlord has complied with all laws, ordinances, orders, rules and regulations (state, federal, municipal and other agencies or bodies having any jurisdiction thereof) relating to the use, condition or occupancy of the Building, including the Americans with Disabilities Act of 1990 ("ADA").

6.06 Access to Building.

(a) Subject to Section 6.01 and the other terms and conditions set forth below, Subject to the terms and conditions set forth below and in this Lease, Tenant and its employees shall have access to the Building and the Leased Premises twenty-four (24) hours a day, three hundred sixty-five (365) days per year. Except as set forth herein, Tenant shall have no right of access to the roof of the Leased Premises or the Building or to the roof of any building in the Project. Tenant shall have right of access to the roof of the Building in case of a roof malfunction or mechanical failure of equipment located on the roof of the Building when resolution of the problem is critical to the conduct of Tenant's business; provided, however, Tenant must notify Landlord in advance of any such roof access, and Landlord's representative shall accompany Tenant and provide Tenant with such roof access to the Building. In the event Landlord fails to provide such roof access to Tenant within four (4) hours of Tenant's notification to Landlord, then Tenant may then gain access to the roof of the Building without Landlord's

representative accompanying Tenant. In addition to the foregoing, Tenant may, with forty-eight (48) hours advance notice to Landlord, and provided Tenant is accompanied by a representative of Landlord, have access to the rooftop of the Building for normal maintenance of the mechanical systems that are located thereon. Landlord expressly reserves the right, in its sole discretion, to temporarily or permanently change the location of, close, block and otherwise alter any entrances, corridors, skywalks, tunnels, doorways and walkways leading to or providing access to the Building or any part thereof and otherwise restrict the use of same provided such activities do not unreasonably impair Tenant's access to the Leased Premises, common areas and parking areas. Landlord shall not incur any liability whatsoever to Tenant as a consequence thereof. Such activities shall not be deemed to be a breach of any of Landlord's obligations hereunder. Landlord shall exercise good faith in notifying Tenant a reasonable time in advance of any alterations, modifications or other actions of Landlord under this Section.

(b) Unless caused by the gross negligence or willful misconduct of Landlord, Tenant expressly agrees that neither Landlord nor Landlord's partners, managers, members, agents, officers, directors or employees shall be liable to Tenant or Tenant's partners, managers, members, agents, officers, directors and employees, or to any person entering, for any reason whatsoever, the Leased Premises, Building or Project, for any injury, death, loss or damage arising out of any crime attempted or committed in the Leased Premises, Building or Project.

6.07 Peaceful Enjoyment

Tenant shall and may peacefully have, hold and enjoy the Leased Premises without interference from any party claiming by or through Landlord, subject to the terms of this Lease, provided Tenant pays the Rent and other sums required to be paid by Tenant and performs all of Tenant's covenants and agreements herein contained. This covenant and any and all other covenants of Landlord contained in this Lease shall be binding upon Landlord and its successors only with respect to breaches occurring during its and their respective ownership of Landlord's interest in the Building. Landlord shall not be responsible for the acts or omissions of any other tenant or third party that may interfere with Tenant's use and enjoyment of the Leased Premises; provided, however, that Landlord shall use its reasonable best efforts to enforce the Building Rules.

6.08 Relocation.

Intentionally deleted.

ARTICLE 7 - CONSTRUCTION, ALTERATIONS AND REPAIRS

7.01 Construction.

(a) Prior to the start of the Term, Landlord shall, at its expense up to the amount of the Allowance (as defined in Exhibit C) design and construct the Upfit (as defined in Exhibit C) in the Leased Premises in accordance with the Workletter Agreement set forth in Exhibit C. Any cost incurred by Landlord for the design, demolition (if applicable), and construction of the Upfit, in excess of the Allowance shall be paid by Tenant as stated in

Exhibit C. Notwithstanding the foregoing, any increases in taxes resulting from higher valuations of the Building attributable to Tenant's Upfit or alterations in excess of typical up fits in the Building shall be paid by Tenant as Additional Rent.

(b) In addition to the Upfit (i.e., the costs of construction of the loading dock will not be deducted from or part of the Allowance) , on or before the Commencement Date, Landlord shall, at a cost to be borne equally between Landlord and Tenant, construct a commercially reasonable loading dock on the back of the Leased Premises. Landlord shall pay for the construction of the loading dock and Tenant shall pay its portion of the loading dock construction within ten (10) business days of receipt of Landlord's invoice therefor,

7.02 Alterations.

(a) Tenant shall make no alterations, installations, additions or improvements in, on or to the Leased Premises without Landlord's prior written consent, which consent shall not be conditioned or delayed. All such work shall be designed and made in a manner, and by architects, engineers, workmen and contractors, reasonably satisfactory to Landlord. All alterations, installations, additions and improvements (including, without limitation, paneling, partitions, millwork and fixtures) made by or for Tenant to the Leased Premises shall remain upon and be surrendered with the Leased Premises and become the property of Landlord at the expiration or termination of this Lease or the termination of Tenant's right to possession of the Leased Premises; provided.

Landlord may require Tenant to remove any or all of such items that are not Building standard upon the expiration or termination of this Lease or the termination of Tenant's right to possession of the Leased Premises in order to restore the Leased Premises to the condition existing at the time Tenant took possession. Landlord shall inform Tenant, at the time of Tenant's request for any such non-Building standard alterations, installations, additions or improvements, of Landlord's requirement to have same removed at the expiration or other termination of this Lease.

(b) In addition to the foregoing, Tenant shall, within fifteen (15) calendar days of Landlord's written request, provided such Landlord request is made within three (3) months after the expiration or earlier termination of this Lease, remove all telephone, data wiring and fire suppression systems installed by Tenant from the Leased Premises, and Tenant shall repair any damage to the Leased Premises caused by any such removal. Tenant shall bear the costs of removal of Tenant's property from the Building and of all resulting repairs thereto.

(c) All work performed bv Tenant with respect to the Leased Premises shall (i) not alter the exterior appearance of the Building or adversely affect the structure, safety, systems or services of the Building; (ii) comply with all Building safety, fire and other codes and governmental and insurance requirements; (iii) be completed promptly and in a good and workmanlike manner; (iv) be performed in a manner that does not cause interference or disharmony with any labor used by Landlord, Landlord's contractors or mechanics or by any other tenant or such other tenant's contractors or mechanics; and (v) not cause any mechanic's, materialman's or other similar liens to attach to Tenant's leasehold estate. Tenant shall not permit, or be authorized to permit, any liens (valid or alleged) or other claims to be asserted against Landlord or Landlord's rights, estates and interests with respect to the Building, the Project or this Lease in connection with any work done by or on behalf of Tenant, and Tenant shall indemnify and hold Landlord harmless against any such liens. Tenant shall provide Landlord with a copy of all final lien waivers from any general contractor and any subcontractors or suppliers) of goods or services in connection with any work done by or on behalf of Tenant in the Leased Premises.

(d) Notwithstanding the foregoing, Tenant shall, at Tenant's sole cost and expense, with Landlord's consent, which consent shall not be unreasonably withheld, have the right to make minor, non-structural improvements or minor decorations within the Leased Premises which are cosmetic in nature, employing contractors selected by Tenant and approved by Landlord in Landlord's reasonable discretion, provided such improvements/decorations: (i) are in keeping with the standards of Tenant's existing Leased Premises, (ii) do not affect the structure of the Building or the electrical, mechanical, plumbing or life safety systems of the Building, and (iii) do not cost, or result in expenses of. more than Ten Thousand Dollars ($10,000.00) total per annum.

(e) (i) Further notwithstanding the foregoing, Landlord shall allow Tenant to install, at Tenant's sole cost and expense, one (1) diesel fueled back-up generator (the "Back-up Generator") to serve the Leased Premises, and no other back-up or emergency generator shall be allowed. The Back-up Generator shall be located on the Land in a location selected by Landlord in Landlord's sole discretion. The Back-up Generator and all equipment associated with the Back-up Generator shall be placed and screened in a manner acceptable to Landlord, at Landlord's sole discretion. The diesel fuel tank shall be factory integrated by the manufacturer of the Back-up Generator, shall be above ground, shall have a containment area under and around the fuel tank, and shall be subject to all of the same provisions and conditions as for the Back-up Generator. If requested by Landlord before the Expiration Date, Tenant shall remove any such Back-up Generator at the expiration or earlier termination of this Lease or any renewals of the Term. If requested by Landlord after the Expiration Date or earlier termination of this Lease, Tenant shall remove any such Back-up Generator within sixty (60) calendar days following Landlord's request. In either case. Tenant shall repair any damage caused by such removal at Tenant's sole cost and expense. Tenant hereby specifically agrees that all periodic testing of the Back-up Generator and/or Back-up Generator equipment shall be conducted either before or after normal business hours (normal business hours are 8:00 a.m. through 6:00 p.m. Monday through Friday) in order to avoid disruption to other tenants in the Building. In addition to the foregoing. Tenant shall indemnify and hold harmless Landlord, its members, managers, agents, employees, and other tenants in the Building, from all loss, costs, expense, liability or damages incurred due to the presence, operation, maintenance and/or repair of the Back-up Generator and the diesel fuel tank reference herein or any replacements of same.

(ii) Tenant, at Tenant's sole cost and expense, shall be solely responsible for the operation (including all electrical costs), maintenance, repairs) and replacement(s) for and to the Back-up Generator, shall ensure that performance of the same shall be conducted in a commercially reasonable fashion, and shall

provide Landlord with copies, at least one (1) time per year, of all service contracts evidencing such maintenance and all documentation related to repairs and replacements.

(iii) Tenant shall ensure that the Back-up Generator and all items related thereto shall be, as of their respective installation dates, and shall remain, in full compliance with all applicable laws, rules, regulations and orders (including environmental).

(f) The provisions of this Section 7.02 shall survive the expiration or other termination of this Lease.

7.03 Maintenance and Repairs by Tenant.

(a) Tenant, at its sole cost and expense and at all times, throughout the term of this Lease, shall take good care of the Leased Premises, and shall keep the same safe and in good order, condition and repair, and irrespective of such agreement to repair, shall make and perform all routine maintenance thereof and all necessary repairs thereto, which are nonstructural, ordinary and extraordinary, foreseen and unforeseen, and of every nature, kind and description, but excluding the items listed in Sections 4.4(f) (9) and (10). Notwithstanding anything to the contrary in this Lease, Tenant shall also maintain its exterior heating, ventilating and air conditioning systems, as well as any other improvements installed for or by Tenant in or on the exterior of the Building which are not used by other tenants in the Building. Further, Tenant shall keep the Leased Premises safe for human occupancy and use. When used in this Section 7.03, "repairs" shall include all necessary replacements, renewals, alterations, additions and betterments. All repairs made by Tenant shall be at least equal in quality and cost to the original work and shall be made by Tenant in accordance with all laws, ordinances and regulations, whether heretofore or hereafter enacted. The necessity for or adequacy of maintenance and repairs shall be measured by the standards which are appropriate for improvements of similar construction and class, provided that Tenant shall in any event make all repairs necessary to avoid any structural damage or other damage or injury to the Leased Premises.

(b) Notwithstanding the above provisions to the contrary, except where the need for the HVAC Capital Repair (as defined below) is caused by Tenant's or its agents', employees' or invitees' negligent or willful acts or Tenant's failure to keep the required HVAC maintenance contract continuously in effect, Tenant's repair obligations under this Lease with respect to the HVAC system serving the Premises as of the Execution Date shall be limited to ordinary and reasonable maintenance of, and shall not include any capital repair/replacements (the "HVAC Capital Repair"), to, that system. Landlord, after notice of a need for an HVAC Capita] Repair is received from Tenant, shall, at its own expense, promptly- and diligently cause the HVAC Capital Repair to be made. Tenant shall nevertheless reimburse Landlord, within fifteen (15) business days, for Tenant's Allocable Share (as defined below) of all reasonably necessary costs incurred by Landlord in completing the HVAC Capital Repair (the "HVAC Capital Repair Costs"). "Tenant's Allocable Share" shall equal the HVAC Capital Repair Costs times a fraction, the numerator of which is the number of months remaining in the current Term of the Lease as of the date of the substantial completion of the HVAC Capital Repair (as certified by the subcontractor making the repair/replacement) and the denominator of which is eighty-four (84). In the event Tenant properly exercises its Renewal Option, Tenant's Allocable Share shall be recalculated by adding the total number of months in the Renewal Term to the numerator and denominator described above. The difference between the original calculation and this recalculation shall be paid by Tenant to Landlord prior to the commencement of the Renewal Term. For purposes of this subsection, a repair/replacement will be deemed "capital" in nature if the reasonable cost of that repair/replacement exceeds fifty percent (50%) of the replacement costs for the FTVAC System. The parties acknowledge that the provisions of this Section shall not apply to that portion of the Premises' HVAC system installed as part of the Upfit, the repair of which, whether capital or not, shall remain Tenant's responsibility as provided in Section 7.03(a) above.

7.04 Maintenance/Service Contract

Tenant, at its own cost and expense, covenants and agrees to enter into regularly scheduled preventative maintenance/service contracts with maintenance contractors for servicing any heating, ventilating, and air conditioning systems and other equipment which would benefit therefrom which are within or are serving the Leased Premises. Each maintenance contractor and contract must be approved in advance by Landlord, in its reasonable discretion. The service contract must include all services suggested by the equipment manufacturer within the operation/maintenance manual (a copy of such operation/maintenance manual shall be delivered to Tenant on or before the Commencement Date) and must become effective (and a copy thereof delivered to

Landlord) within thirty (30) days of the date Tenant takes possession of the Leased Premises. Tenant's duty to maintain its heating, ventilating and air conditioning systems shall specifically include the duty to inspect such systems, to replace filters as recommended and to perform other recommended periodic servicing.

7.05 Tenant's Waiver of Claims Against Landlord.

Except as otherwise set forth herein. Landlord shall not be required to furnish any services or facilities or to make any repairs or alterations in, about or to the Leased Premises or any improvements hereafter erected thereon. Tenant hereby assumes the full and sole responsibility for the condition, operation, repair, replacement, maintenance and management of the Leased Premises and all improvements hereafter erected thereon, and Tenant hereby waives any rights created by any law now or hereafter in force to make repairs to the Leased Premises or improvements hereafter erected thereon at Landlord's expense, except as otherwise set forth herein.

7.06 Landlord's Right to Effect Repairs.

If Tenant should fail to perform any of its obligations under this Article 7, then Landlord may, if it so elects, in addition to any other remedies provided herein, effect such repairs and maintenance. Any sums expended by Landlord in effecting such repairs and maintenance shall be due and payable, immediately upon receipt of Landlord's invoice therefor, together with an additional charge of fifteen percent (15%).

ARTICLE 8 - CONDEMNATION, CASUALTY, INSURANCE AND INDEMNITY

8.01 Condemnation.

If all or substantially all of the Leased Premises is taken by virtue of eminent domain or for any public or quasi-public use or purpose, this Lease shall terminate on the date the condemning authority takes possession. If only a part of the Leased Premises is so taken, or if a portion of the Building not including the Leased Premises is taken, this Lease shall, at the election of Landlord, either (i) terminate on the date the condemning authority takes possession by giving notice thereof to Tenant within thirty (30) calendar days after the date of such taking of possession or (ii) continue in full force and effect as to that part of the Leased Premises not so taken, in which case Rent shall be reduced on a square footage basis by the amount of square footage of the Leased Premises taken or condemned. All proceeds payable from any taking or condemnation of all or any portion of the Leased Premises and the Building shall belong to and be paid to Landlord, and Tenant hereby expressly assigns to Landlord any and all right, title and interest of Tenant now or hereafter arising in and to any such awards. Tenant shall have no, and waives any, claim against Landlord and the condemner for the value of any unexpired term. Tenant shall

have the right to pursue a condemnation award from the condemning party, but only to the extent that an award to Tenant (i) is separately stated, and (ii) does not diminish any award to Landlord.

8.02 Damages from Certain Causes.

Neither Landlord nor Tenant shall be liable or responsible to the other party for any injury, loss, damage or inconvenience to any person, property or business occasioned by theft, fire, act of God, public enemy, injunction, riot, strike, insurrection, war, court order, requisition order of governmental body or authority, or any other cause beyond such other party's control.

8.03 Fire or Other Casualty.

(a) In the event of a fire or other casualty in the Leased Premises, Tenant shall immediately give written notice thereof to Landlord.

(b) If the Leased Premises or any portion of the Building and/or Project is damaged by fire or other casualty, Landlord shall have the right, but not the duty, to terminate this Lease or to repair the Leased Premises with reasonable dispatch, subject to delays resulting from adjustment of the loss and any other cause beyond Landlord's reasonable control.

(c) Landlord shall provide written notice to Tenant within thirty (30) calendar days after the date of any casualty as to Landlord's election to terminate or repair. The notice shall provide Landlord's reasonable estimate as to whether the repair and restoration can be completed within one hundred eighty (180) calendar days after the date of such notice. In the event Landlord's notice provides that repair or restoration will take more than one hundred eighty (180) calendar days after the date of such notice. Tenant shall have the right to terminate this Lease, provided that Tenant must deliver written notice of its election to terminate within ten (10) calendar days

after receipt of Landlord's notice thereof. If Tenant fails to deliver such notice in the time period specified above, Tenant shall be deemed to have waived its right to terminate.

(d) Subject to Force Majeure (defined in Section 11.08) in the event Landlord has not completed the repair(s) or restoration of the Leased Premises within eight (8) months after the date of Landlord's notice to Tenant as set forth in Section 8.03(c), Landlord shall provide written notice of such delay, and Tenant shall then have the right to terminate this Lease, provided that (i) Tenant must deliver written notice of its election to terminate within five (5) calendar days after receipt of Landlord's notice thereof and (ii) Landlord shall not have completed the repairs) or restoration of the Leased Premises within such five (5) calendar day period. If Tenant fails to deliver such notice in the time period specified above, Tenant shall be deemed to have waived its right to terminate.

(e) Anything in this Lease to the contrary notwithstanding, Landlord shall not be required, but rather it shall be Tenant's duty, to repair or replace any of the following: (i) furniture, furnishings or other personal property which Tenant may be entitled to remove from the Leased Premises and (ii) any installations in excess of those improvements made to the Leased Premises by Landlord or at Landlord's expense. Until Landlord's repairs are completed, the Rent shall be abated in proportion to the portions of the Leased Premises, if any, which are untenantable commencing on the date of the casualty. Notwithstanding anything contained in this Section. Landlord shall only be obligated to restore or rebuild the Leased Premises to improvements made to the Leased Premises by Landlord or at Landlord's expense, and Landlord shall not be required to expend more funds than the amount received by Landlord from the proceeds of any insurance carried by Landlord. Notwithstanding the preceding, Landlord shall have no duty to restore, repair, replace or rebuild the Leased Premises in the event that any mortgagee of Landlord should require that insurance proceeds received as a result of such fire or other casualty be applied to payment of the mortgage debt, and, in such event. Landlord shall have the right to terminate this Lease immediately.

8.04 Insurance Policies.

(a) Landlord shall maintain (i) policies of insurance covering damage to the Leased Premises and all Building- standard tenant improvements provided by Landlord or at Landlord's expense in the amount of not less than one hundred percent (100%) of the replacement value thereof providing protection against all perils included within the classification of fire and extended coverage, including endorsements for vandalism, malicious mischief, and fire sprinkler leakage; (ii) a policy or policies of commercial general liability insurance, such insurance to afford minimum protection (which may be effected by primary or excess coverage) of not less than $2,000,000.00 for personal injury or death in any one occurrence and of not less than $1,000,000.00 for property damage in any one occurrence; and (iii) a policy or policies of loss-of-rent/business interruption insurance covering the full amount of Rent due under this Lease for a period of twelve (12) months from the date of the interruption. Tenant shall reimburse Landlord for Tenant's pro rata share of the cost of the premiums for all such insurance policies, which premiums shall be payable upon demand as Additional Rent hereunder.

(b) Tenant shall, at its expense, maintain in full force and effect during the Term (i) standard fire and extended coverage insurance on all of its personal property, including removable trade fixtures, located in the Leased Premises and on its non-Building standard leasehold improvements and all other additions and improvements (including fixtures) made by Tenant; (ii) a policy or policies of commercial general liability insurance, such policy or policies to afford, through primary and/or excess coverage, minimum protection of not less than Two Million Dollars ($2,000,000,00) for bodily injury and/or property damage, including personal injury, in any one occurrence; and (iii) a policy or policies, if available, insuring against injury or damage from exposure to or interference from electromagnetic rays and/or fields.

(c) All insurance policies required to be maintained by Tenant shall (i) be issued by and binding upon solvent insurance companies licensed to conduct business in the State of North Carolina, and which are rated A-:VII1 or better by Best's Key Rating Guide, (ii) have all premiums fully paid on or before the due dates, (iii) name Landlord and such other persons or entities as Landlord may from time to time designate as additional insureds without restriction, (iv) provide that they shall not be cancelable and/or the coverage thereunder shall not be reduced without at least ten (10) calendar days advance written notice to Landlord, (v) contain a provision whereby the insurer waives all rights of subrogation against Landlord, and Landlord's officers, partners, managers, members,

directors, employees, agents and assigns, and (vi) state that coverage provided by Tenant shall be primary to any other insurance that Landlord may carry.

(d) Tenant shall deliver to Landlord certified copies of all policies or, at Landlord's option, certificates of insurance in a form satisfactory to Landlord not less than fifteen (15) calendar days prior to the Commencement Date and, also, the expiration of the then-current policies.

(e) One (1) time per calendar year of the Term, if, in the written opinion of Landlord's insurance advisor, the amount or scope of such coverage is deemed inadequate during the Term, Tenant shall increase such coverage to such amounts or scope as Landlord's insurance advisor deems adequate.

8.05 Waiver of Subrogation Rights.

(a) Anything in this Lease to the contrary notwithstanding, Landlord and Tenant each hereby (i) waives any and all rights of recovery, claims, actions or causes of action, including defense costs, against the other, its agents, members, managers, partners, shareholders, officers and employees, for any loss or damage that may occur to the Leased Premises or the Building, or any improvements thereto, or any personal property of such party therein, by reason of fire, the elements, and any other cause which is insured against under the terms of the standard fire and extended coverage insurance policies referred to in Section 8.04 hereof, only to the extent of recovery for same under said insurance policies since this waiver is not intended to nor shall it release a party from its indemnification obligations as set forth in this Article 8, and regardless of cause or origin, including but not limited to the sole or contributory negligence of the other party hereto, its agents, members, managers, officers, partners, shareholders or employees, and (ii) covenants that no insurer shall hold any right of subrogation against such other party.

(b) If the respective insurers of Landlord and Tenant do not permit such a waiver without an appropriate endorsement to such party's insurance policy, Landlord and Tenant shall notify the insurers of the waiver set forth herein and shall secure from each such insurer an appropriate endorsement to its respective insurance policy concerning such waiver, and if insurance policies with waiver of subrogation provisions are obtainable only at a premium, the party seeking the policy shall pay that additional premium.

(c) This provision shall survive the expiration or other termination of this Lease.

8.06 Indemnity/Waiver of Liability.

(a) Landlord shall not be liable to Tenant or Tenant's partners, managers, members, officers, directors, employees, shareholders, agents, contractors, customers or any person entering the Leased Premises, Building or Project under the express or implied invitation of Tenant, for any damage or injury to person or property arising out of any act, omission or neglect of Tenant, its partners, managers, members, officers, directors, employees, shareholders, agents, contractors, customers or any other person entering the Leased Premises, Building or Project under the express or implied invitation of Tenant, including, but not limited to, any claims which may be made for compensation or damages based upon exposure to or interference from electromagnetic rays and/or fields, and, subject to the mutual waivers of subrogation set forth in this Lease, Tenant agrees to indemnify and hold harmless Landlord and its successors and assigns and their respective partners, managers, members, agents, officers, directors, and employees from and against all claims, damages, losses, liabilities, lawsuits, costs and expenses for any such damage or injury, including, without limitation, court costs, and actual, reasonable attorneys' fees and costs of investigation.

(b) Subject to the insurance requirements and mutual waivers of subrogation rights set forth in this Lease, Landlord shall indemnify and hold Tenant harmless from and against any and all claims, damages, losses, liabilities, lawsuits, costs and expenses (including, without limitation, court costs, and actual, reasonable attorneys' fees and costs of investigation) arising out of any act, omission or neglect of Landlord, or any officer, employee, or contractor of Landlord. Tenant's failure to obtain any insurance coverage required under the terms of this Lease shall void Landlord's indemnity obligation to the extent such insurance would have provided coverage for the claim.

(c) This indemnification and hold harmless obligation is expressly conditioned on the following: (i) that the indemnifying party shall be notified by the party requesting indemnification in writing

promptly of any such claim or demand and whether said claim or demand is made by a third party; (ii) that the indemnifying party shall have sole control of the defense of any action or settlement or compromise; and (iii) that Landlord and Tenant shall cooperate with each other in a reasonable way to facilitate the settlement or defense of such claim or demand.

(d) Landlord's and Tenant's respective rights and obligations under this Section 8.06 shall survive the expiration or other termination of this Lease.

8.07 Limitation of Landlord's Personal Liability.

Tenant shall look solely to Landlord's interest in the Building and the Land for the recovery of any judgment against Landlord, and Landlord, its partners, managers, members, officers, directors, employees, shareholders and agents shall never be personally liable for any such judgment. The provisions contained in the foregoing sentence are not intended to, and shall not, limit any right that Tenant might otherwise have to obtain injunctive relief against Landlord or Landlord's successors in interest or any suit or action in connection with enforcement or collection of amounts which may become owing or payable under or on account of liability insurance maintained by Landlord.

8.08 Survival of Article 8.

The rights and obligations contained in this Article 8 shall survive the expiration or other termination of this Lease.

ARTICLE 9 - LANDLORD'S LIEN, DEFAULT, REMEDIES AND SUBORDINATION

9.01 Lien for Rent.

Intentionally deleted.

9.02 Default by Tenant.

(a) Any failure by Tenant to fully and completely perform or comply with any covenant, condition, term or provision on the part of Tenant to be performed or complied with under any Article of, and/or Exhibit to, this Lease shall constitute a breach of this Lease.

(b) Landlord shall have the right to treat the occurrence of any one or more of the following events as a default under this Lease (provided, no such levy, execution, legal process or petition as set forth in Subsections (3) through (7) below filed against Tenant shall constitute a default under this Lease if Tenant shall vigorously contest the same by appropriate proceedings, and shall remove or vacate the same within thirty (30) calendar days from the date of its creation, service or filing):

(1) Tenant does not pay Rent or any other sum to be paid by Tenant under this Lease when due; provided, however, that Tenant shall be allowed one (1) late payment of Rent in each calendar year of the Term, which late payment shall not be deemed a default hereunder so long as such Rent is paid within five (5) calendar days of the due date; or

(2) Tenant does not perform or comply with any covenant, condition, term or provision on the part of Tenant to be performed or complied with under any Article of, and/or Exhibit to, this Lease, and (i) such non-performance or non-compliance continues for thirty (30) calendar days after written notice to Tenant or such longer period of time not to exceed forty-five (45) calendar days, provided (A) Tenant is exercising due diligence to effect such cure, (B) Tenant cannot reasonably cure such default within thirty (30) calendar days, (C) such default does not impact any other tenant(s) in the Building and (D) such default does not cause any additional liability to Landlord, or (ii) such non-performance or non-compliance is the same as or substantially similar to that of which Tenant has previously received written notice of non-performance or non-compliance from Landlord; or

(3) the interest of Tenant under this Lease is levied on under execution or other legal process; or

(4) any petition is filed by or against Tenant to declare Tenant a bankrupt or to delay, reduce or modify Tenant's debts or obligations; or

(5) any petition is filed to reorganize or modify Tenant's debts or obligations; or

(6) any petition is filed to reorganize or modify Tenant's capital structure; or

(7) Tenant is declared insolvent according to law; or

(8) any assignment of Tenant's property is made for the benefit of creditors; or

(9) a receiver or trustee is appointed for Tenant or its property; or

(10) Tenant vacates or abandons the Leased Premises or any part thereof at any time during the Term, unless such abandonment or vacancy does not adversely affect the appearance of the Building, and the Leased Premises appears occupied (lights on throughout and area(s) visible from the lobby or any public/common areas of the Building, completely furnished with quality furniture, accessories, pictures, etc. to maintain a high quality public image); or

(11) Tenant is a corporation and Tenant ceases to exist as a corporation in good standing in the state of its incorporation; or

(12) Tenant is a partnership or other entity and Tenant is dissolved or otherwise liquidated.

(c) If Tenant has been in monetary default of this Lease as defined in Section 9.02, and as evidenced by receipt of written notice from Landlord of such monetary default, more than two (2) times during the Term, and Tenant has been in non-monetary default under this Lease, as evidenced by receipt of written notice from Landlord of such non-monetary default, more than four (4) times during the Term, which event(s) of default are not cured within the applicable time period(s) set forth in this Section 9.02, then any option(s) which Tenant may have for the modification of the Term or for expansion of the Leased Premises shall automatically become null and void upon receipt of written notice from Landlord of a sixth (6th) default by Tenant, whether monetary or non-monetary.

(d) Tenant expressly acknowledges and agrees that this Lease, as well as any invoices and notices relating thereto, constitutes evidence of an indebtedness within the meaning of North Carolina General Statutes Section 6-21.2.

9.03 Landlord's Remedies.

Upon the occurrence of any default by Tenant under Section 9.02, Landlord shall have the right to do and perform any one or more of the following, in addition to, and not in limitation of, any other right or remedy permitted Landlord under this Lease or at law or in equity:

(a) Continue this Lease in full force and effect through the stated Term of this Lease, and this Lease shall continue in full force and effect as long as Landlord does not terminate this Lease, and Landlord shall have the right to collect Rent, Additional Rent and other charges when due;

(b) Terminate this Lease and repossess the Leased Premises as authorized hereby or terminate Tenant's right to possession without terminating this Lease and, under either circumstance, be entitled to recover as damages a sum of money equal to the total of the following:

(1) the cost of recovering the Leased Premises (including, but not limited to, actual, reasonable attorneys' fees and costs of suit); and

(2) the unpaid Rent and any other sums accrued hereunder as of the date of Lease termination; and

(3) the then present value (discounted at a rate equal to the then issued treasury bill having a maturity approximately equal to the remaining Term of this Lease had such default not occurred) of (i) the total Rent which would have been payable hereunder by Tenant for the period beginning with the day following the date of such termination and ending with the Expiration Date of the Term as originally scheduled hereunder, minus (ii) the aggregate rental value of the Leased Premises for the same period as estimated by a real estate broker selected by Landlord who is licensed in North Carolina, who has at least ten (10) years' experience immediately prior to the date in question in evaluating commercial

office space, taking into account all relevant factors including, without limitation, the length of the remaining Term, the then current market conditions in the general area, the likelihood of relating for a period equal to the remainder of the Term, net effective rates then being obtained by landlords for similar type space in similar buildings in the general area, vacancy levels in the general area, current levels of new construction in the general area and how that would affect vacancy and rental rates during the period equal to the remainder of the Term and inflation; and

(4) the reasonable costs and expenses of removing and storing any of Tenant's or any other occupant's property left in the Leased Premises, Building or Project after the date of Lease termination or after the date of termination of possession; and

(5) the reasonable costs and expenses of refurbishing the Leased Premises to the condition necessary to attempt to re-lease the Leased Premises at the prevailing market rental rate, normal wear and tear excepted; and

(6) any brokerage fees or commissions payable by Landlord in connection with any re-leasing or attempted re-leasing; and

(7) all administrative costs and expenses in connection with any re-leasing or attempted re-leasing; and

(8) any increase in insurance premiums caused by the vacancy of the Leased Premises; and

(9) the amount of any unamortized leasing commissions, any Upfit expenses, any Upfit allowance or any other allowances, and concessions previously made by Landlord to Tenant; and,

(10) any other sum of money, and damages owed by Tenant to Landlord, plus interest on (1) through (7) above at the rate of the lesser of eighteen percent (18%) per annum or the highest rate allowed by applicable law.

(c) File suit to recover any sums falling due under the terms of this Section 9.03, from time to time within the applicable statutes of limitation, and no delivery to or recovery by Landlord of any portion due Landlord shall be any defense in any action to recover any amount not theretofore reduced to judgment in favor of Landlord;

(d) Enter upon the Leased Premises.as authorized hereby and do whatever Tenant is obligated to do under the terms of this Lease, and Tenant shall reimburse Landlord on demand for any reasonable expenses which Landlord may incur in effecting compliance with Tenant's obligations under this Lease plus fifteen percent (15%) of such cost to cover overhead, and Tenant expressly agrees that Landlord shall not be guilty of trespass or liable for any damages resulting to Tenant from such action. No action taken by Landlord under this Section 9.03 shall relieve Tenant from any of its obligations under this Lease or from any consequences or liabilities arising from the failure to perform such obligations;

(e) Without waiving such default, apply all or any part of any Security;

(f) Change all door locks and other security devices of Tenant at the Leased Premises, the Building and/or the Project, and Landlord shall not be required to provide the new key or security device to Tenant except during Tenant's regular business hours, and only upon the condition that Tenant has cured any and all defaults hereunder, and in the case where Tenant owes Rent to Landlord, reimbursed Landlord for all Rent and other sums due Landlord hereunder. Landlord, on terms and conditions satisfactory to Landlord in its sole, reasonable discretion, may upon request from Tenant's employees, enter the Leased Premises for the purpose of retrieving therefrom personal property of such employees; however, Landlord shall have no obligation to do so; and

(g) Request Tenant's written acknowledgement (to be provided to Landlord within ten (10) business days of Landlord's request) that Tenant, through its default, has released possession of the Leased Premises and that Landlord has the right to lease the Leased Premises to a third party.

9.04 Mitigation of Damages.

(a) Landlord shall use commercially reasonable efforts to re-lease the Leased Premises and otherwise mitigate Landlord's damages under this Lease. Landlord shall be deemed to have used objectively reasonable efforts to fill the Leased Premises by advising Landlord's leasing agent of the availability of the Leased Premises and advising at least one (1) outside commercial brokerage entity of the availability of the Leased Premises; provided, however, that Landlord shall not be obligated to re-lease the Leased Premises before leasing any other unoccupied portions of the Building, Project and any other property under the ownership or control of Landlord.

(b) Tenant hereby expressly agrees that Tenant's failure to provide the acknowledgement described in Section 9.03(e) will impair Landlord's ability to mitigate its damages by re-leasing the Leased Premises.

(c) If Landlord receives any payments from the re-leasing of the Leased Premises, any such payments shall reduce the damages to Landlord as provided in Subsection 9.03(b) and elsewhere in this Lease.

9.05 Rights of Landlord in Bankruptcy.

Nothing in this Lease shall limit or prejudice the right of Landlord to prove for and obtain in proceedings for bankruptcy or insolvency, by reason of the expiration or termination of this Lease, an amount equal to the maximum allowed by any statute or rule of law in effect at the time when, and governing the proceedings in which, the damages are to be proved, whether or not the amount be greater, equal to, or less than the amount of the loss or damages referred to in this Article 9. In the event that under applicable law, the trustee in bankruptcy or Tenant has the right to affirm this Lease and continue to perform the obligations of Tenant hereunder, such trustee or Tenant shall, in such time period as may be permitted by the bankruptcy court having jurisdiction, cure all defaults of Tenant outstanding as of the date this Lease is so affirmed and provide to Landlord such adequate assurances as may be necessary to ensure Landlord of the continued performance of Tenant's obligations under this Lease.

9.06 Default by Landlord.

Except as otherwise set forth herein, in the event Landlord, due to its willful misconduct or gross negligence, fails to perform or observe any of its obligations under this Lease, provided any such failure is not a result of any act of God, force majeure or act or omission of Tenant, and any such failure continues for fifteen (15) calendar days after written notice from Tenant, which notice shall specify the nature and extent of the default, and Landlord is not proceeding to cure said default, and has not disputed Tenant's claim of Landlord's default, Tenant's sole remedies shall be the legal remedy of actual damages or the equitable remedy of specific performance. Landlord shall have such additional time as is reasonably necessary to cure the default so long as Landlord commenced the cure of such default within said fifteen (15) day period and is diligently proceeding to cure the same. In such event. Tenant shall have no right to sue for damages or specific performance, until such additional period of time shall have expired, so long as Landlord shall be diligently pursuing the cure of such default.

9.07 Non-Waiver.

Failure of Landlord to declare any default immediately upon occurrence thereof, or delay in taking any action in connection therewith, shall not waive such default and Landlord shall have the right to declare any such default at any time and take such action as might be lawful or authorized in this Lease or at law or in equity.

9.08 Attorney's Fees.

Upon the occurrence of any default by Tenant under Section 9.02, Landlord shall have the right to arrange for legal representation regarding the enforcement of all or any part of this Lease, the collection of any Rent or other sums due or to become due, or recovery of the possession of the Leased Premises, and Tenant shall reimburse Landlord for all actual, reasonable attorneys' fees, whether suit is actually filed or not, and any costs of investigation and court costs.

9.09 Subordination; Estoppel Certificate.

(a) This Lease is and shall be subject and subordinate to any and all ground or similar leases affecting the Building, and to all mortgages which may now or hereafter encumber or affect the Building and to all renewals, modifications, consolidations, replacements and extensions of any such leases and mortgages; provided that, at the option of any such landlord or mortgagee, this Lease shall be superior to the lease or mortgage of such landlord or mortgagee.

(b) The provisions of this Section shall be self-operative and shall require no further consent or agreement by Tenant. Tenant shall, however, execute and return any estoppel certificate (substantially in the form attached hereto as Exhibit E), subordination agreement, consent or other agreement reasonably requested by any such landlord or mortgagee, or by Landlord, within ten (10) calendar days after receipt of same; provided that Tenant receives a non-disturbance agreement from such mortgagee.

(c) With respect to any mortgage entered into by Landlord after the execution of this Lease, Landlord shall use commercially reasonable efforts to obtain a non-disturbance agreement from such mortgagee.

(d) In the event Tenant does not execute and return such documents in accordance with this Section 9.08, Tenant shall be deemed to have ratified such documents, and the information contained therein shall be deemed to be correct and binding upon Tenant.

(e) Tenant shall, at the request of Landlord or any mortgagee of Landlord secured by a lien on the Building or any landlord to Landlord under a ground lease of the Building, famish such mortgagee and/or landlord with written notice of any default by Landlord at least sixty (60) calendar days prior to the exercise by Tenant of any rights and/or remedies of Tenant hereunder arising out of such default.

(f) Notwithstanding the foregoing, Landlord agrees to use commercially reasonable efforts to obtain for Tenant a subordination, non-disturbance and attornment agreement ("SNDA") from its existing and any future lender on such lender's standard form. Landlord's failure or inability to obtain an SNDA as aforesaid shall not constitute a default under this Lease.

9.10 Attornment

If any ground or similar lease or mortgage is terminated or foreclosed, Tenant shall, upon request, attorney to the landlord under such lease or the mortgagee or purchaser at such foreclosure sale, as the case may be, and execute instrument(s) confirming such attornment. In the event of such a termination or foreclosure and upon Tenant's attornment as aforesaid, Tenant shall automatically become the tenant of the successor to Landlord's interest without change in the terms or provisions of this Lease; provided, such successor to Landlord's interest shall not be bound by (i) any payment of rent for more than one month in advance except prepayments of Security for the Lease, if any, or (ii) any amendments or modifications of this Lease made without the prior written consent of such landlord or mortgagee. Notwithstanding the foregoing, no mortgagee shall be bound by any amendments or modifications of this Lease made without such mortgagee's written consent while such mortgagee is holding a mortgage on the Building. Notwithstanding anything to the contrary contained in this Section, Tenant shall be obligated to attorney to a new landlord only if the holder of any recorded first mortgage or deed of trust lien grants Tenant a non-disturbance agreement providing that Tenant shall have the right to remain in possession of the Leased Premises in accordance with the terms of this Lease so long as Tenant is not in default hereunder.

9.11 Accord and Satisfaction.

No payment by Tenant or receipt by Landlord of an amount less than is due under this Lease shall be deemed to be other than payment towards or on account of the earliest portion of the amount then due, nor shall any endorsement or statement on any check or payment in any letter accompanying any check or payment be deemed an accord and satisfaction, and Landlord shall have the right to accept any such check or payment without prejudice to Landlord's right to recover the balance of such amount or to pursue any other remedy available to Landlord.

9.12 Survival of Article 9.

The rights and obligations contained in this Article 9 shall survive the expiration or other termination of this Lease.

ARTICLE 10 - ASSIGNMENT AND SUBLEASE

10.01 Assignment or Sublease.

(a) Tenant shall not, voluntarily, by operation of law, or otherwise, (i) assign, transfer, mortgage, pledge, or otherwise transfer or encumber (collectively, "assign") all or any part of Tenant's right and interest in this Lease or in the Leased Premises or, (ii) sublease the Leased Premises or any part thereof without the

prior written consent of Landlord, which such consent shall not be unreasonably withheld, and any attempt to do any of the foregoing without such written consent shall be null and void and shall constitute a default under this Lease. Relevant criteria in determining reasonability of consent will include, but will not be limited to, any adverse effect of a proposed assignment or assignee or sublease or subtenant on any other existing tenant in the Building, credit history or references from prior landlord(s) of proposed assignee or subtenant, and any material change or intensification (including occupancy or parking) of the use of the Leased Premises or the Building. Any one or more of the actions described in Subsection 10.01(a) shall be deemed a "Transfer".

(b) In no event shall Tenant assign this Lease or sublease the Leased Premises to (i) any other tenant in the Project, (ii) any entity engaged in the commercial real estate business, including, without limitation, property management or the brokerage, ownership or development of competitive properties, or (iii) which would cause Landlord to be in default of another lease in the Building or Project.

(c) Landlord's consent to any assignment or sublease hereunder does not constitute a waiver of its right to disapprove of any further assignment or sublease.

(d) If Tenant desires to assign this Lease or sublease the Leased Premises or any part thereof, Tenant shall give Landlord written notice of such desire at least thirty (30) calendar days in advance of the date on which Tenant desires to make such assignment or sublease, together with a non-refundable fee of Seven Hundred Fifty Dollars ($750.00) (the "Administration Fee"). The Administration Fee shall be waived for the first (1st) assignment or sublease, but shall be charged for each assignment or sublease thereafter. Landlord shall then have a period of fifteen (15) calendar days following receipt of such notice within which to notify Tenant in writing that Landlord elects (i) to terminate this Lease as to the space so affected as of the date so specified by Tenant, in which event Tenant shall be relieved of all further obligations hereunder as to such space, or (ii) to permit Tenant to assign this Lease or sublease such space, or (iii) to refuse to consent to Tenant's assignment or subleasing such space and to continue this Lease in full force and effect as to the entire Leased Premises. If Landlord should fail to notify Tenant in writing of such election within the fifteen (15) calendar day period, Landlord shall be deemed to have elected option (iii) above.

(e) If Landlord elects option (ii) above and approves the assignment or sublease, then (i) if the rent agreed upon between Tenant and subtenant is greater than the Monthly Base Rent that Tenant is obligated to pay to Landlord under this Lease, fifty percent (50%) of such excess rent (exclusive of Tenant's reasonable, documented costs of subleasing the Leased Premises, including, but not limited to, commissions, marketing costs and tenant improvements) shall be deemed Additional Rent owed by Tenant and payable to Landlord in the same manner that Tenant pays the Rent hereunder, and (ii) Tenant shall be solely responsible for all costs, including but not limited to, the cost of any work required due to any changes in the building, fire or other municipal, state, or federal codes (including the Americans with Disabilities Act) after the date of this Lease, together with all costs of providing any additional certificate of occupancy required for the subleased space or assigned premises.

(f) In addition to the Administration Fee, Tenant shall pay Landlord's actual reasonable attorneys' fees associated with any requested assignment or sublease hereunder regardless of whether Landlord consents to any such assignment or sublease.

(g) No assignment or subleasing by Tenant shall relieve Tenant of any obligations under this Lease, and Tenant shall remain fully liable hereunder.

(h) Any assignment or sublease agreement shall include the right by Landlord to relocate the assignee or subtenant to alternative space in the Building or Project, provided that the alternative space is comparable in size and quality and that such relocation is at Landlord's cost and expense.

(i) If Tenant is not a public company that is registered on a national stock exchange or that is required to register its stock with the Securities and Exchange Commission under Section 12(g) of the Securities and Exchange Act of 1934, any change in a majority of the voting rights or other controlling rights or interests of Tenant shall be deemed an assignment for the purposes hereof.

(j) Notwithstanding the foregoing, Tenant shall have the right, subject to the conditions contained in this Section 10.01, including obtaining Landlord's consent prior to such assignment or sublease, and also provided Tenant pays the Administration Fee (only if such assignment or sublease is not the first such assignment or sublease) and Landlord's actual reasonable attorneys' fees associated with Landlord's review and documentation of same promptly upon receipt of Landlord's invoice therefor, to assign this Lease or sublet all or any portion of the Leased Premises to (i) any entity resulting from a

merger or consolidation with Tenant; (ii) any entity succeeding to the business and assets of Tenant; (iii) any subsidiary or affiliate of Tenant, (iv) any company that acquires all or substantially all of the assets or stock of Tenant; and (v) any entity which is part of or affiliated with Tenant (any of the foregoing shall be deemed an "Affiliate"), so long as such Affiliate shall be of at least the same net worth value and credit worthiness as Tenant, in Landlord's sole discretion, at the time of the transfer, and none of the same shall release Tenant, and Tenant shall remain liable to Landlord for full performance of Tenant's obligations under this Lease.

10.02 Assignment by Landlord.

Landlord shall have the right to transfer and assign, in whole or in part, all its rights and obligations hereunder and in the Building and all other property referred to herein, and in such event and upon such transfer (any such transferee to have the benefit of, and be subject to, the provisions of Section 6.07 and Section 8.07 hereof) no further liability or obligation shall thereafter accrue against Landlord under this Lease.

ARTICLE 11 - TENANT WARRANTIES; INCORPORATION OF EXHIBITS; COMMISSION(S), CONFIDENTIALITY. SURVIVAL, NOTICES, BINDING EFFECT AND MISCELLANEOUS

11.01 Tenant Warranties.

Tenant warrants that any and all consents and approvals required of third parties (including, without limitation, its Board of Directors or partners, where applicable) for the execution, delivery and performance of this Lease have been obtained, that Tenant has the right and authority to enter into and perform its covenants contained in this Lease, and that Tenant has the right and authority to conduct business in the State of North Carolina, and shall maintain all such right and authority during the Term. Tenant warrants further that neither Tenant, nor any shareholder, partner, member or affiliate of Tenant, has ever been the subject of a petition for relief under the United States Bankruptcy Code, whether voluntarily or involuntarily.

11.02 Incorporation of Exhibits.

The terms and provisions of Exhibits A-H described herein and attached hereto are hereby made a part hereof for all purposes; provided, however, that, unless otherwise expressly stated, in the event of a conflict between the terms of this Lease and the terms of any Exhibit attached hereto, the terms of this Lease shall control.

11.03 Commission(s).

Landlord shall pay to the Broker named in Subsection 2.01(l), a real estate brokerage commission only as set forth in a separate management, listing and/or commission agreement(s). Broker, and not Landlord, shall pay to the Co-Broker, if any, named in Subsection 2.01(l), a real estate brokerage commission by the Broker only as set forth in a separate co-brokerage commission agreement. Landlord and Tenant each hereby represent and warrant to the other that they have not employed or contracted with any agents, brokers or parties in connection with this Lease, other than those named in Subsection 2.01(j) and each agrees that it shall hold the other harmless from and against any and all claims of all other agents, brokers or other parties claiming by, through or under the respective indemnifying party. The rights and obligations contained in this Section shall survive the expiration or other termination of this Lease.

11.04 Confidentiality.

Tenant, its partners, members, managers, officers, employees and agents shall not disclose the terms and conditions of this Lease to any third party, except for purposes of accounting and legal review of Tenant's business, and Landlord may treat any such unauthorized disclosure as a default of this Lease, which may be subject to injunctive relief in addition to all other remedies available at law or in equity, including the remedy of specific performance and Landlord's right to recover damages. The rights and obligations contained in this Section shall survive the expiration or other termination of this Lease.

11.05 Survival.

Provisions intended by their terms or context to survive the expiration or any other termination of this Lease shall so survive with respect to events occurring during the Term of this Lease but shall expire pursuant to applicable statutes of limitation.

11.06 Notices.

Except as otherwise provided in this Lease, any statement, notice, or other communication which Landlord or Tenant may desire or is required to give to the other shall be in writing and shall be deemed sufficiently given or rendered (i) if hand delivered, as of the date of written acknowledgement of the delivery by any representative or agent of the party to whom the delivery is made, or (ii) if sent by registered or certified mail, postage prepaid, return receipt requested, or Federal Express or similar overnight courier as of the date noted on the written affirmation of delivery, to the addresses for Landlord and Tenant set forth in Subsection 2.01(k), or at such other address(es) as either party shall designate from time to time by ten (10) calendar days prior written notice to the other party. Tenant shall obtain written acknowledgement from Landlord recognizing any change in Tenant's address for the purposes of this Section, or such change shall not be effective as against Landlord.

11.07 Binding Effect

Upon execution by Tenant, this Lease and all of the covenants, conditions and agreements contained herein shall be binding upon, and inure to the benefit of, Tenant, its legal representatives and successors, and, to the extent assignment may be approved by Landlord hereunder, Tenant's assigns. Upon execution by Landlord, this Lease and all of the covenants, conditions and agreements contained herein shall be binding upon and inure to the benefit of Landlord, its legal representatives, successors and assigns.

11.08 Miscellaneous.

(a) No custom or practice which may evolve between the parties in the administration of the provisions of this Lease shall waive or diminish the right of Landlord to require performance by Tenant in complete accordance with the provisions of this Lease.

(b) Section headings are included for convenience only and are not to be used to construe or interpret this Lease. Pronouns of any gender shall include the other genders, and either the singular or the plural shall include the other.

(c) All rights and remedies of Landlord under this Lease shall be cumulative, and none shall exclude any other rights or remedies allowed by law. This Lease is declared to be a North Carolina contract, and all of the terms hereof shall be construed according to the laws of the State of North Carolina.

(d) This Lease is for the sole benefit of Landlord and Tenant, and no third party shall be deemed a third party beneficiary of this Lease without the express written consent of Landlord and Tenant.

(e) This Lease may not be altered, changed or amended, except by an instrument in writing executed by all parties hereto. Further, the terms and provisions of this Lease shall not be construed against or in favor of a party hereto merely because such party is the "Landlord" or the "Tenant" hereunder or such party or its counsel is the draftsman of this Lease.

(f) Whenever in this Lease there is imposed upon Landlord the obligation to use its best efforts, reasonable efforts or diligence, Landlord shall be required to do so only to the extent the same is economically feasible and otherwise will not impose upon Landlord extreme financial or other business burdens.

(g) If any term or provision of this Lease, or the application thereof to any person or circumstance, shall to any extent be invalid or unenforceable, the remainder of this Lease, or the application of such provision to persons or circumstances other than those as to which it is invalid or unenforceable, shall not be affected thereby, and each provision of this Lease shall be valid and shall be enforceable to the extent permitted by law.

(h) Tenant is prohibited from recording this Lease or any memorandum thereof without the prior written consent of Landlord.

(i) "Square feet" or "square foot" as used in this Lease includes the area contained within the space occupied by Tenant, measured from the center-line of demising walls, together with a common area percentage factor of Tenant's space proportionate to the total Building areas. Common areas include the space from the "glass walls" to the "dripline" of the Building, and the sprinkler riser room, mechanical room and electrical room for the Building.

(j) "Business day(s)" as used in this Lease shall mean the days of the week which are Monday through Friday, except when any such day is also a holiday that is listed on the Building Rules.

(k) Tenant understands and agrees that the property manager for the Building is the agent of Landlord and is acting at all times in the best interest of Landlord. Any and all information pertaining to this Lease that is received by the property manager shall be treated as though received directly by Landlord.

(l) This Lease may be executed in any number of counterparts, each of which shall be an original, but all of which taken together shall constitute one and the same instrument.

(m) One (1) time during each calendar year of the Term and at any time Tenant is in monetary default of this Lease, Tenant shall provide Landlord, upon ten (10) calendar days' written notice, a true, accurate and complete copy of Tenant's financial statements, including income and expense statements and balance sheets, which shall reflect the most recent quarter and most recent year-end at the time of such review. Landlord shall keep all such financial information confidential and shall not disclose such information to third parties, unless legally compelled to do so.

(n) Landlord shall have the right to use Tenant's name in marketing literature and releases to news media.

(o) Neither Landlord nor Tenant shall be required to perform any term, provision, agreement, condition or covenant in this Lease (other than the obligations of Tenant to pay Rent as provided herein) so long as such performance is delayed or prevented by "Force Majeure", which shall mean acts of God, strikes, injunctions, lockouts, material or labor restrictions by any governmental authority, civil riots, floods, fire, theft, public enemy, insurrection, war, court order, requisition or order of governmental body or authority, and any other like cause not reasonably within the control of Landlord or Tenant and which by the exercise of due diligence Landlord or Tenant is unable, wholly or in part, to prevent or overcome. Neither Landlord nor any mortgagee shall be liable or responsible to Tenant for any loss or damage to any property or person occasioned by any Force Majeure, or for any damage or inconvenience which may arise through repair or alteration of any part of the Project as a result of any Force Majeure.

(The remainder of this page intentionally left blank.)

ARTICLE 12 - ENTIRE AGREEMENT AND LIMITATION OF WARRANTIES

12.01 ENTIRE AGREEMENT AND LIMITATION OF WARRANTIES.

TENANT AGREES THAT THIS LEASE AND THE EXHIBITS ATTACHED HERETO CONSTITUTE THE ENTIRE AGREEMENT OF THE PARTIES AND THAT ANY AND ALL PRIOR CORRESPONDENCE, MEMORANDA, AGREEMENTS AND UNDERSTANDINGS (WRITTEN AND ORAL) ARE SUPERSEDED BY THIS LEASE. TENANT FURTHER AGREES THAT THERE ARE NO, AND TENANT EXPRESSLY WAIVES ANY AND ALL, WARRANTIES WHICH EXTEND BEYOND THOSE EXPRESSLY SET FORTH IN THIS LEASE OR IMPLIED WARRANTIES OF MERCHANTABILITY, HABITABILITY, FITNESS FOR A PARTICULAR PURPOSE OR OF ANY OTHER KIND ARISING OUT OF THIS LEASE.

IN TESTIMONY WHEREOF, the parties hereto have caused this Lease to be executed by their respective duly authorized representatives, as of the date first aforesaid.

LANDLORD:

GRE Keystone Technology Park One LLC, a Delaware limited liability company

By: GRE Keystone Technology Park Holdings LLC, a Delaware limited liability company, its Sole Member

By: Capital Associates Management, LLC, a North Carolina limited liability company, acting as Investment Manager for GRE Keystone Technology Park Holdings LLC

By: /s/ Stephen P. Pairterfield
Stephen P. Pairterfield, Delegate
Manager

TENANT:

Liquidia Technologies, Inc., a Delaware corporation

By: /s/ Bruce Boucher
Bruce Boucher, President

Attest:

By: _____
Secretary

Exhibit A-1

Keystone Technology Park - Building IV
419 Davis Drive, Suite 600
Durham, North Carolina 27713

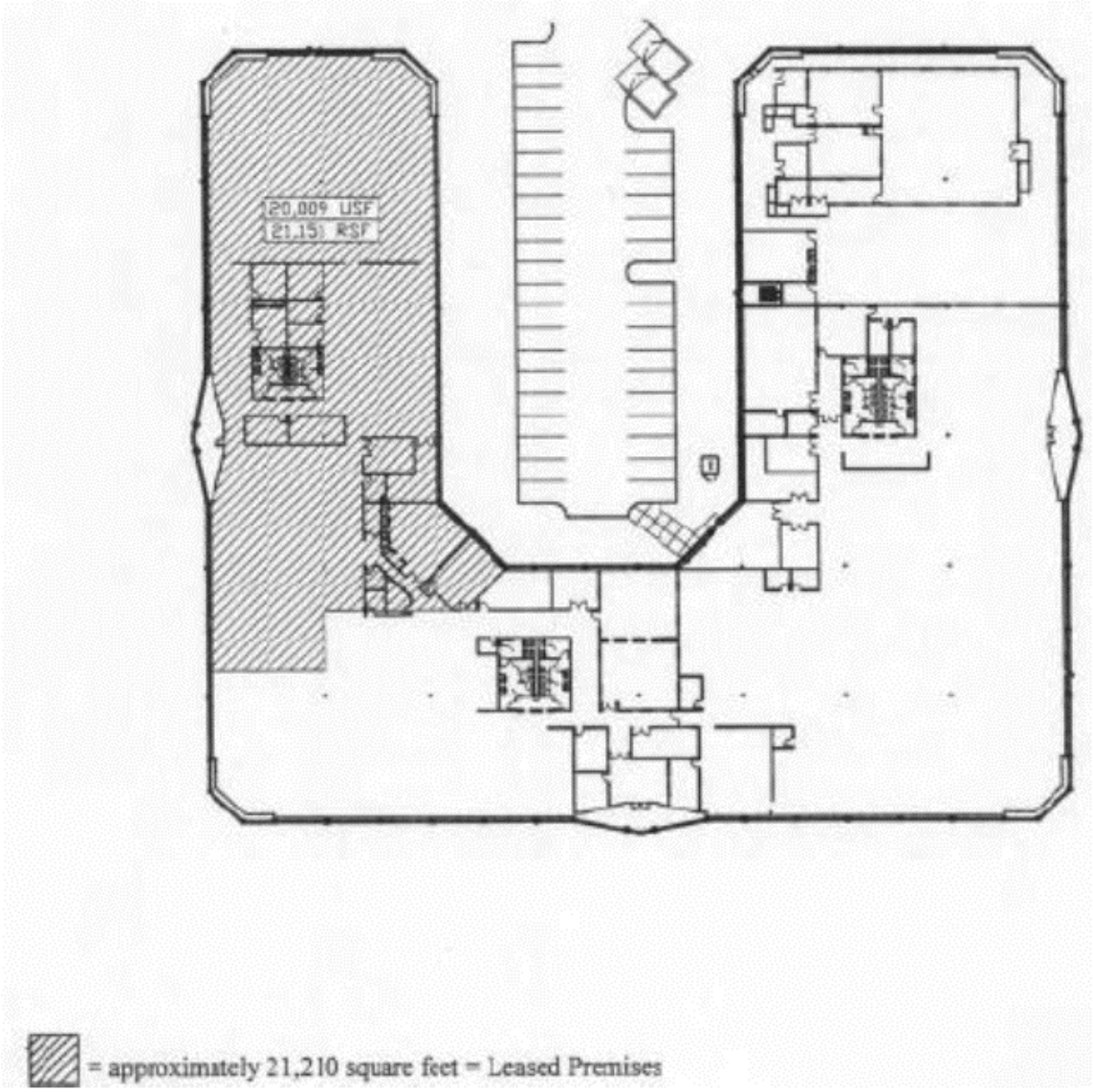


Exhibit A-1

THE LAND

Being all of that lot described as Tract I-D according to that plat entitled “Subdivision for Tract 1C & ID, Keystone Technology Park” recorded in Plat Book 139, Page 171, Durham County Registry, to which plat reference is made for greater certainty of description. Save and excepting that twenty (20) foot strip of land dedicated to the City of Durham by that plat recorded in Plat Book 144, Page 172, Durham County Registry.

Save and Except all of that property taken in the condemnation proceeding reported in the Memorandum of Action recorded in Book 4715, Page 266, Durham County Registry.

AS TO PARCELS 1, 2, 3 & 4: Together with appurtenant rights and easements under the Cross-Access Agreement recorded in Book 2731, Page 236, Durham County Registry.

(The remainder of this page intentionally left blank.)

EXHIBIT A-3

THE PROJECT

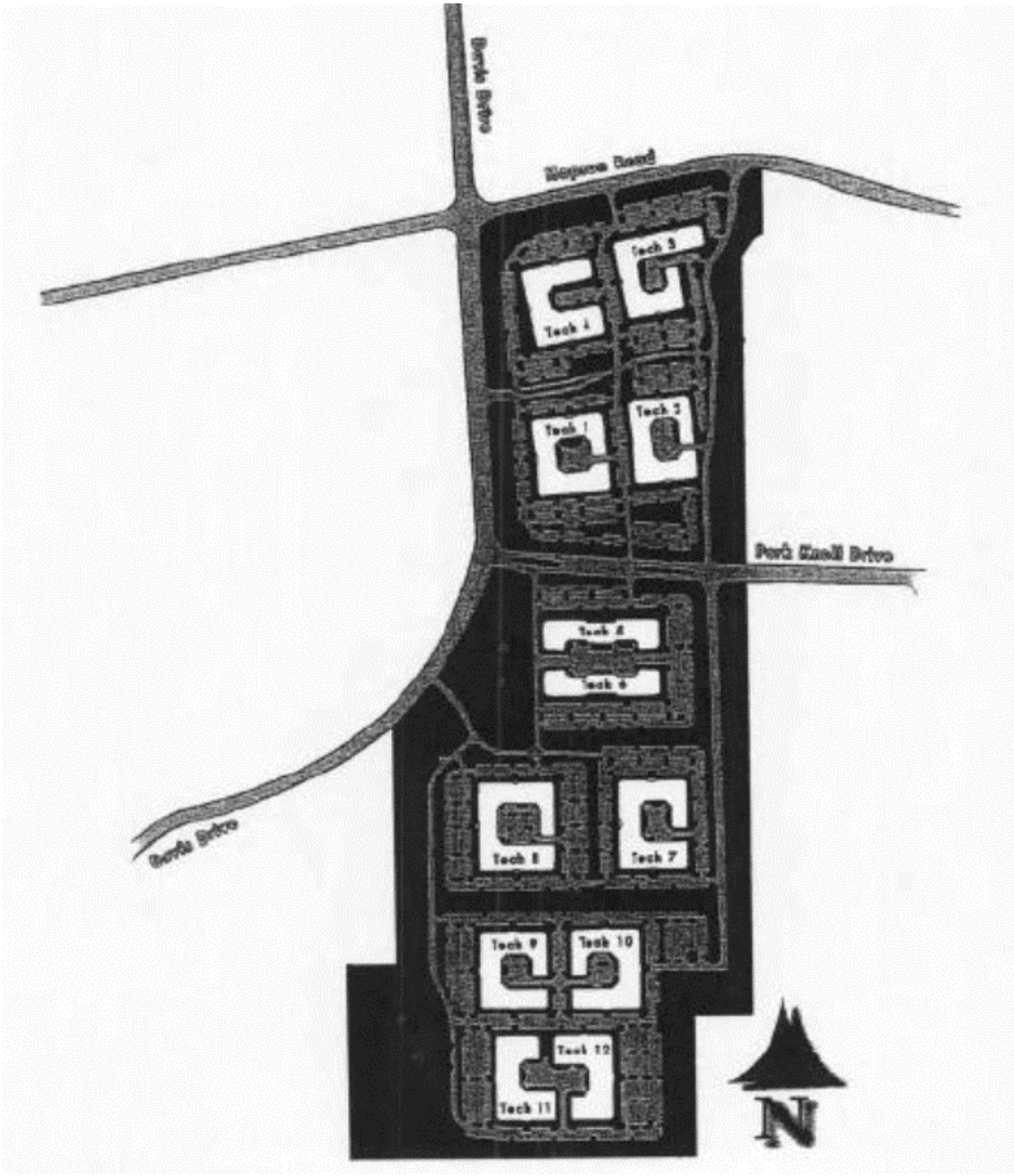


EXHIBIT B

ACCEPTANCE OF LEASED PREMISES MEMORANDUM

Pursuant to the Lease dated 2007, by and between GRE Keystone Technology Park One LLC, a Delaware limited liability company authorized to conduct business in the State of North Carolina ("Landlord"), and Liquidia Technologies, Inc., Delaware corporation authorized to conduct business in the State of North Carolina ("Tenant"), for the Leased Premises located in Suite 600, at Keystone Technology Park - Building IV, 419 Davis Drive, Durham, North Carolina 27713, with a Commencement Date of , 2007, Landlord and Tenant hereby agree that:

1. Except for those items shown on the attached "punch list", which Landlord shall use reasonable efforts to remedy within thirty (30) calendar days after the date hereof, Landlord has fully completed the construction work required of Landlord under the terms of the Lease and the work letter attached as Exhibit C thereto.

2. The Leased Premises are tenantable, Landlord has no further obligation for construction (except as specified above), and Tenant acknowledges that the Leased Premises are satisfactory in all respects, subject to Landlord's representation of the condition of the Leased Premises as set forth in this Lease.

All other terms and conditions of the Lease are hereby acknowledged to be unchanged.

Agreed and Executed this day of , 20 .

TENANT:

Liquidia Technologies, Inc., a Delaware corporation

By: _____

Attest:

Name: _____

By: _____ Title: _____

Secretary

EXHIBIT C

WORKLETTER AGREEMENT

1. Existing Condition and Unfit. The condition of the Leased Premises as of the date of this Lease, as is and with all faults, shall be deemed the "Existing Condition". All demolition of and improvements made to the Existing Condition of the Leased Premises in accordance with the Schematic Space Plan and Detailed Plans (both defined below) shall be deemed the "Upfit".

2. Allowances.

(a) Landlord shall provide Tenant with a tenant improvement allowance in an amount not to exceed the sum of (i) Four Hundred Twenty-four Thousand Two Hundred Dollars (S424.200.00) and (ii) Two Hundred Ninety-one Thousand Six Hundred Thirty-seven Dollars and Fifty Cents ($291,637.50) for a total amount of Seven Hundred Fifteen Thousand Eight Hundred Thirty-seven Dollars and Fifty Cents ($715,837.50) (the "Allowance"), to pay for all costs and expenses incurred by Landlord for the design and construction of the Upfit, including (A) any demolition related thereto, (B) any architectural work, and (C) any plumbing, mechanical and electrical work, as set forth below.

(b) In addition to the foregoing Allowance, in the event the cost of the Upfit exceeds the amount of the Allowance, and Tenant provides written notice to Landlord that Tenant so elects, then Landlord shall pay for an amount in excess of the Allowance, up to a maximum of Seven Hundred Sixty-eight Thousand Eight Hundred Sixty-two Dollars and Fifty Cents ($768,862.50) (the Amortized Allowance, defined in Section 4.091, as such shall be amortized and repaid to Landlord, pursuant to Section 4.09. Any amount in excess of the total of the Allowance and the Amortized Allowance shall be due and payable to Landlord in accordance with Section 4 herein.

3. Design. Landlord shall cause an architect and one or more engineers, each of whom shall be designated by Landlord in its sole discretion, to consult with Tenant and to prepare architectural, plumbing, mechanical and electrical plans that are (i) consistent with the "Schematic Space Plan" for the Leased Premises, which shall be completed on or before ten (10) calendar days after the Execution Date, and when executed by both parties, shall automatically become attached to this Lease as Exhibit C-l, (ii) sufficiently detailed for pricing, approval and construction of the Upfit, and (iii) subject to Landlord's approval, in its reasonable discretion (the "Detailed Plans"). All partitions, doors, hardware, ceiling tile, window coverings, plumbing, HVAC, lighting fixtures, switches, outlets and life safety items shall be designed in Landlord's standard manner. Carpet, paint, wall covering, and millwork shall be selected and designed in Landlord's standard manner and from Landlord's standard finishes, unless otherwise requested by Tenant, in accordance with Section 4 herein. Tenant shall famish to Landlord all other information and technical data reasonably necessary for the preparation of the Detailed Plans within five (5) business days of Landlord's request therefor, or as otherwise agreed to by Tenant and Landlord, so as not to delay the design, pricing, approval and construction of the Upfit by the Target Commencement Date.

4. Approval of Plans and Cost. Landlord shall cause a general contractor or contractors designated by Landlord, at its sole discretion, to prepare detailed pricing of construction of the Upfit pursuant to the Detailed Plans. Landlord shall submit to Tenant for Tenant's approval (i) the Detailed Plans and (ii) an itemized cost statement of all design and construction costs related to the Upfit (the "Cost Statement"). Such Cost Statement shall include, but not be limited to, all costs associated with any contractor's general conditions, permits (including any new or changes to development, facility or transportation impact fees), taxes, insurance and fees. Landlord shall not charge Tenant any commercially unreasonable overtime rates to ensure the completion of the office portion of the Upfit by the Target Commencement Date. Within five (5) business days after its receipt of the Detailed Plans and Cost Statement, Tenant shall approve the Detailed Plans and the Cost Statement in writing, subject to any modifications or changes in the Detailed Plans requested by Tenant. Landlord, in its sole discretion, shall retain final approval rights for the Detailed Plans. After Tenant's approval of the Detailed Plans and the Cost Statement or in the event Tenant does not respond to Landlord within such five (5) business day period, the Detailed Plans and the Cost Statement shall be deemed to be approved by Tenant, and such approved Detailed Plans shall be thereafter deemed the "Plans". Notwithstanding anything to the contrary contained herein, if the architectural and engineering

design, demolition (if applicable), and construction costs of the Upfit as approved by Tenant, exceed the Allowance and the Amortized Allowance, then Tenant shall be obligated to pay for all such excess costs. Landlord shall submit an invoice to Tenant for such excess costs at the time the Detailed Plans and Cost Statement are approved or deemed approved by Tenant, and Tenant shall pay such excess costs within fifteen (15) calendar days of receipt of Landlord's invoice therefor. Any subsequent changes or modifications to the Plans shall be made and accepted in writing by Landlord and Tenant and shall constitute an amendment to the Lease, and Tenant shall pay for any additional sums caused by such changes or modifications to the Plans immediately upon receipt of Landlord's invoice therefor. If the cost of designing and constructing the Upfit as approved by Tenant is less than the Allowance, Tenant shall not be entitled to any refund of the unused portion of the Allowance, but Tenant shall be allowed to apply any such unused portion of the Allowance to the Additional Upfit, as set forth in Section 4.09.

5. Construction. After Tenant (i) approves the Detailed Plans and the Cost Statement, (or if Tenant does not respond to Landlord regarding the Detailed Plans and the Cost Statement, as set forth in Section 4 herein), and (ii) pays any and all costs in excess of the Allowance as set forth in Section 4

herein, then Landlord shall be entitled to cause, and shall cause, the general contractor designated by Landlord to construct the Upfit in accordance with the Plans and the Cost Statement.

6. Delay. The Commencement Date, Expiration Date, and commencement of installments of Monthly Base Rent shall not be postponed or delayed as a result of any of the following:

(1) Tenant's failure to furnish information or consult with Landlord or Landlord's architects or engineers when requested in order to prepare the Detailed Plans (including, failure to complete the Schematic Space Plan within ten (10) business days of the Execution Date of this Lease);

(2) Any laboratory related material(s), equipment, or fixtures contained in the Upfit requiring more than eight (8) weeks to deliver to the Leased Premises for construction as part of the Upfit;

(3) Tenant's failure to approve the Cost Statement or to pay any excess cost as provided in Section 5 herein;

(4) Changes to the Plans requested or caused by Tenant after Tenant's approval of the Detailed Plans and Cost Statement; or,

(5) Any other delay from any other cause attributable to Tenant, its agents, consultants, contractors, subcontractors or employees.

7. Tenant's Access to Leased Premises. Landlord shall permit Tenant and its agents reasonable access to the Leased Premises during normal business hours thirty (30) calendar days prior to the Target Commencement Date for the purpose of installing telephone and computer cabling, equipment, fixtures and other personal property, and such entry and use of the Leased Premises shall not constitute acceptance of the Leased Premises nor Tenant's acknowledgment of the Commencement Date of the Lease, unless Tenant commences the operation of any portion of its business therein. This right of entry onto the Leased Premises is a license from Landlord to Tenant which is subject to revocation in the event that Tenant or its employees, contractors or agents causes or is the cause of any code or governmental violation, labor dispute, delay or damage during such period which results from, whether directly or indirectly, the installation or delivery of the foregoing, or otherwise becomes in default of any term, covenant or condition of this Lease as provided in . Prior to Tenant's entry onto the Leased Premises in accordance herewith. Tenant shall demonstrate to Landlord that it has obtained the insurance required and is in compliance with Section 8.04 of the Lease. Under no circumstances shall Landlord be liable or responsible for and Tenant agrees to assume all risk of loss or damage to such telephone and computer cabling, equipment, fixtures and other personal property and to indemnify, defend and hold Landlord harmless from any liability, loss or damage arising from any damage to the property of Landlord, or its contractors, employees or agents, and any death or personal injury to any person or persons to the extent caused by, attributable to or arising out of, whether directly or indirectly, Tenant's entry onto the Leased Premises or the delivery, placement, installation, or presence of the telephone and computer cabling, equipment, fixtures and other personal property, except to the extent that such loss or damage is caused solely by Landlord's willful misconduct or gross negligence or the willful misconduct or gross negligence of Landlord's contractors, agents or employees.

8. Warranties. Landlord shall cause the repair or replacement of any defects in material or workmanship in the Upfit installed by Landlord for a period of one (1) year after the date of substantial completion of the Leased Premises, or the duration of any manufacturer's warranty, whichever is longer, provided Tenant notifies Landlord of such defect as soon as reasonably practicable after the date Tenant discovers such defect. LANDLORD MAKES NO WARRANTIES, EXPRESS OR IMPLIED, INCLUDING BUT NOT LIMITED TO IMPLIED WARRANTIES OF MERCHANTABILITY AND FITNESS FOR A PARTICULAR PURPOSE, IN CONNECTION WITH THE UPFIT EXCEPT AS EXPRESSLY SET FORTH IN THIS SECTION 8. Tenant's sole remedy for the breach of any applicable warranty shall be the remedy set forth in this Section 8. Tenant agrees that no other remedy, including without limitation, incidental or consequential damages for lost profits, injury to person or property or any other incidental or consequential loss, shall be available to Tenant.

9. Compliance with Certain Requirements. At any time before, during, and after construction, Landlord shall have the right to require changes to the Plans and construction in order to comply with applicable building codes, other governmental requirements, and insurance requirements. Neither Landlord's nor Tenant's approval of the Plans is a warranty that the Plans comply with applicable building codes, other governmental requirements, and insurance requirements.

10. No Liability. Notwithstanding the review and approval by Landlord of the Detailed Plans and any changes to same, Landlord shall have no responsibility or liability, including the costs of additional or corrective work, in regard to the safety, sufficiency, adequacy or legality thereof, and Tenant shall look solely to the party(ies) preparing same as the party(ies) responsible for ensuring that such Detailed Plans and changes thereto (and the architectural and engineering completeness and sufficiency thereof and the Upfit constructed as a result thereof) are in compliance with all applicable laws and regulations, and Tenant's stated intended use.

(The remainder of this page intentionally left blank.)

EXHIBIT C-1

SCHEMATIC SPACE PLAN

Keystone Technology Park - Building IV
419 Davis Drive, Suite 600
Durham, North Carolina 27713

The Schematic Space Plan shall be completed on or before ten (10) calendar days after the Execution Date, and when executed by both parties, shall automatically become attached to this Lease as Exhibit C-l. Landlord and Tenant shall use reasonable good- faith efforts to complete the Schematic Space Plan within such ten (10) calendar day period and any failure to complete the Schematic Space Plan within such ten (10) business day period shall be a Tenant Delay.

EXHIBIT D

BUILDING RULES

1. The sidewalks, walks, plaza entries, corridors, concourses, ramps, staircases, escalators and elevators shall not be obstructed or used by Tenant, or any person entering the Building under express or implied invitation of Tenant, for any purpose other than ingress and egress to and from the Leased Premises. No bicycle, motorcycle or other vehicle (except for a forklift) shall be brought into the Building or kept on the Leased Premises without the prior written consent of Landlord, which consent shall not be unreasonably withheld.

(2) No freight, furniture or bulky matter of any description shall be received into the Building except in such a manner, during such hours and using such passageways as may be approved by Landlord. Any hand trucks, carryalls or similar appliances used for the delivery or receipt of merchandise or equipment shall be equipped with rubber tires, side guards and such other safeguards as Landlord shall require.

(3) Landlord shall have the right to prescribe the weight, position and manner of installation of safes, concentrated filing/storage systems or other heavy equipment which shall, if considered necessary by Landlord, be installed in a manner, which may require reinforcement of the Building's structure (at Tenant's cost and expense) to insure satisfactory weight distribution. All damage done to the Building by reason of a safe or any other article of Tenant's equipment being on the Leased Premises shall be repaired at the expense of Tenant. The time, routing and manner of moving safes or other heavy equipment shall be subject to prior written approval by Landlord, which approval shall not be unreasonably withheld.

(4) Tenant shall use no other method of heating or cooling than that supplied by Landlord, except for the Back-up Generator operated by Tenant or any additional heating, ventilating and air conditioning equipment, which such equipment shall be (i) approved by Landlord prior to installation, with Landlord's approval not to be unreasonably withheld and (ii) installed and maintained by Tenant, at Tenant's sole cost and expense.

(5) Tenant shall not at any time, cause or allow the placement, leaving or discarding of any rubbish, paper, articles or objects of any kind whatsoever outside the doors of the Leased Premises or in the corridors or passageways of the Building.

(6) Landlord shall have the right to prohibit any advertising by Tenant which, in Landlord's opinion, tends to impair the reputation of the Building or its desirability to be leased by third parties, and. upon written notice from Landlord, Tenant shall refrain from or discontinue such advertising.

(7) Except as otherwise set forth in Tenant's Lease, Tenant shall not place, or cause or allow to be placed, any signage, lettering or graphics whatsoever, in or outside the Leased Premises except in and at such places as may be designated by Landlord and consented to by Landlord in writing, which consent shall not be unreasonably withheld, prior to the installation of such signage, lettering or graphics. All signage, lettering and graphics on exterior doors and walls shall conform to the Building standard prescribed by Landlord. Any signage, lettering or graphics located in the Leased Premises that is visible to the public must be approved, in writing, by Landlord prior to installation thereof, which approval shall not be unreasonably withheld.

(8) Canvassing, soliciting or peddling in the Building is prohibited and Tenant shall cooperate to prevent same.

(9) Landlord shall have the right to exclude any person from the Building other than during customary business hours, and any person in the Building shall be subject to identification by employees and agents of Landlord. All persons in or entering the Building shall be required to comply with the security policies of the Building. If Tenant desires any additional security services for the Leased Premises, Tenant shall have the right (only with the advance written consent of Landlord) to obtain such additional services at Tenant's sole cost and expense. Tenant shall keep doors to unattended areas locked and shall otherwise exercise reasonable precautions to protect property in the Building and the Leased Premises from theft, loss or damage.

(10) Only workers employed, designated or approved by Landlord may be employed for repairs, installations, alterations, painting, material moving and other similar work that may be done in or on the Leased Premises.

(11) Tenant shall not do or allow any cooking or conduct any restaurant, luncheonette, automat or cafeteria for the sale or service of food or beverages to its employees or to others, without the prior written consent of Landlord, which consent shall not be unreasonably withheld. Tenant may, however, provide, at Tenant's cost and expense, microwave oven(s), refrigerator(s) and coffee machine(s) in a designated break room/area(s) of the Leased Premises for use by Tenant's employees and invitees.

(12) Except as permitted by Section 6.03 of Tenant's Lease, Tenant shall not bring, or cause or allow to be brought or kept in or on the Leased Premises, the Building or the Project, any bleach, inflammable, combustible, corrosive, caustic, odorous, poisonous, toxic or explosive substance or any substance deemed to be a Hazardous or Toxic Material under any applicable Environmental Law or regulation.

(13) Tenant shall not mark, paint, drill into or in any way deface any part of the Building or the Leased Premises. No boring, driving of nails or screws, cutting or stringing of wires shall be permitted, except with the prior written consent of Landlord, and as Landlord may direct; provided, however, that Tenant shall be permitted to install or hang usual and customary office artwork and dry boards without Landlord's prior written consent. Tenant shall not install coat hooks, identification plates or anything else on doors nor any resilient tile or similar floor covering in the Leased Premises except with the prior written approval of Landlord which approval shall not be unreasonably withheld. The use of cement or other similar adhesive material is expressly prohibited.

(14) Tenant shall not place any additional locks or bolts of any kind on any door in the Building or the Leased Premises or change or alter any lock on any door therein in any respect. Landlord shall furnish two (2) keys for each lock on exterior doors to the Leased Premises, and two (2) keys (conventional or card type) for one (1) or more exterior doors to the Building, and shall, on Tenant's request and at Tenant's expense, provide additional duplicate keys. Tenant shall not make any duplicate keys. All keys shall be returned to Landlord upon the termination of the Lease, and Tenant shall give to Landlord the explanation of the combination of all safes, vaults and combination locks in the Leased Premises. Landlord may at all times keep a pass key to the Leased Premises. All entrance doors to the Leased Premises shall be left locked when the Leased Premises are not in use. Notwithstanding the foregoing,

and provided that Tenant informs Landlord of any and all relevant access codes, Tenant shall, at its sole cost and expense (with the understanding that Tenant may use the Allowance), be permitted to install a security system at the Leased Premises, including, without limitation, an access card and lock system, provided Tenant requests and obtains Landlord's written approval (which approval shall not be unreasonably withheld) of the specific security system prior to the commencement of installation.

(15) Tenant shall give immediate notice to Landlord in case of theft, unauthorized solicitation or accident in the Leased Premises or in the Building or of defects therein or in any fixtures or equipment, or of any known emergency in the Building.

(16) Tenant shall place a water-proof tray under all plants in the Leased Premises and shall be responsible for any damage to the floors, carpets, and/or any other damage caused by over-watering such plants.

(17) Tenant shall not use the Leased Premises or allow the Leased Premises to be used for photographic, multibit, multigraph or digital reproductions, except in connection with its own business and not as a service for others, without Landlord's prior written permission.

(18) Tenant shall not use or permit any portion of the Leased Premises to be used for any uses other than those specifically granted in Tenant's Lease.

(19) Tenant shall not advertise for laborers (i.e. those who perform physical labor outdoors) giving the Leased Premises as an address, nor pay such laborers at a location in the Leased Premises.

(20) Employees of Landlord or Landlord's agent(s) shall not perform any work or do anything outside of their regular duties, unless under special instructions from Landlord or Landlord's agent(s).

(21) Without the prior approval of Landlord, in Landlord's sole discretion, Tenant shall not place a load upon any floor of the Leased Premises which exceeds the load per square foot which such floor was designed to carry and which is allowed by law, regulation or code. Business machines and mechanical and electrical equipment belonging to Tenant which cause noise, vibration, electrical or magnetic interference, or any other nuisance that may be transmitted to the structure or other portions of the Building or to the Leased Premises to such a degree as to be reasonably objectionable to Landlord or which interfere with the use or enjoyment by other tenants of their leased premises or the public portions of the Building, shall be placed and maintained by Tenant, at Tenant's expense, in settings of cork, rubber, spring type or other vibration eliminators sufficient to eliminate noise or vibration.

(22) Tenant shall famish and install a chair mat for each desk chair located on carpet in the Leased Premises.

(23) No solar screen materials, awnings, draperies, shutters or other interior or exterior window coverings that are visible from the exterior of the Building or from the exterior of the Leased Premises within the Building may be installed by Tenant. Building-standard mini blinds shall not be pulled up or removed, but may be opened using the "wand".

(24) Tenant shall not place, install or operate within the Leased Premises or any other part of the Building any engine or stove, without the prior written consent of Landlord, which consent shall not be unreasonably withheld.

(25) No portion of the Leased Premises or any other part of the Building shall at any time be used or occupied as sleeping or lodging quarters.

(26) For purposes of the Lease, holidays shall be deemed to mean and include the following: (a) New Year's Day; (b) Memorial Day; (c) Independence Day; (d) Labor Day; (e) Thanksgiving Day and the Friday following; and (f) Christmas Day. If any such holiday occurs on a weekend, then the holiday shall be the day such holiday is legally observed.

(27) Tenant shall at all times keep the Leased Premises neat and orderly.

(28) All permitted alterations and additions to the Leased Premises must conform to applicable building and fire codes. Tenant shall obtain prior approval from applicable building and fire officials and Landlord with respect to any such modifications and shall deliver "as-built" plans therefor to the property manager for the Building on completion.

(29) It is the intent of both Landlord and Tenant that any portion of the Leased Premises visible to the public hold a high quality professional image at all times. If, at any time during the Term, Landlord or Landlord's agent deems such visible area to hold less than a high quality professional image, Landlord shall advise Tenant of desired changes to be made to such area to conform to the intent of this paragraph. Within three (3) business days, Tenant shall cause the desired changes to be made, or present Landlord with a plan for accomplishing such changes. Tenant shall have such additional time as is reasonably required to implement the plan, not to exceed two (2) months; provided, however, that if Tenant is not diligently pursuing the plan for accomplishing such changes within ten (10) business days, or does not implement the plan within two (2) months, then Landlord may provide draperies or blinds for the glassed area at Tenant's expense, and Tenant shall keep such draperies or blinds closed at all times.

(30) The toilet rooms, urinals, wash bowls and other plumbing apparatus shall not be used for any purpose other than that for which they were constructed, and no foreign substance of any kind whatsoever shall be thrown therein. The expense of any breakage, stoppage or damage resulting from the violation of this rule shall be borne by the tenant who, or whose employees or agents, shall have caused it.

(31) The Building has been designated a "non-smoking" building. Tenant, and all persons entering the Building under the express or implied invitation of Tenant are prohibited from smoking in the common areas both inside and outside of the Building, except in those areas outside the Building designated as smoking areas by Landlord.

(32) No animals, except for "service animals" trained to assist disabled persons, shall be brought or kept in or about the Leased Premises or the Building without the prior written consent of Landlord.

(33) Tenant shall not play or allow the playing or the generation of (i) any music or loud noise in the common areas of the Building without Landlord's prior written consent and/or (ii), any loud music or loud noise in the Leased Premises, as determined by Landlord in Landlord's sole discretion.

(34) Tenant shall not cause or allow any odors deemed obnoxious or otherwise unreasonable by Landlord, in Landlord's sole discretion, to permeate or emanate from the Leased Premises.

(35) Tenant shall not bring, or cause or allow to be brought, any firearms, ammunition or weapons of any kind, whether concealed or otherwise, into the Building at any time.

(36) Landlord reserves the right to rescind, amend and add Building Rules, and to waive Building Rules with respect to any tenant or tenants.

(The remainder of this page intentionally left blank.)

EXHIBIT E

FORM OF ESTOPPEL CERTIFICATE

The undersigned ("Tenant"), in consideration of One Dollar ($1.00) and other valuable consideration, the receipt and sufficiency of which are hereby acknowledged, hereby certifies to ("Landlord"), [the holder or prospective holder of any mortgage covering the property] (the "Mortgagee") and [the vendee under any contract of sale with respect to the Property] (the "Purchaser") as follows:

1. Tenant and Landlord executed a certain Lease Agreement (the "Lease"), dated , 20 , covering the floods) shown attached on the plan annexed hereto as Exhibit A-l (the "Leased Premises") in the building located in the known as and by the street number (the "Building"), for a term commencing on ,20 , and expiring on .

2. The Lease is in full force and effect and has not been modified, changed, altered or amended in any respect.

3. Tenant has accepted and is now in possession of the Leased Premises and is paying the full Rent under the Lease.

4. The Base Rent payable under the Lease is $ per month. The Base Rent and all Additional Rent and other charges required to be paid under the Lease have been paid for the period up to and including .

5. Tenant has provided Landlord with the following as Security for the Lease: .

6. No Rent under the Lease has been paid for more than thirty (30) days in advance of its due date.

7. All work required under the Lease to be performed by Landlord has been completed to the full satisfaction of Tenant.

8. There are no defaults existing under the Lease on the part of either Landlord or Tenant.

9. There is no existing basis for Tenant to cancel or terminate the Lease.

10. As of the date hereof, there exist no valid defenses, offsets, credits, deductions in rent or claims against the enforcement of any of the agreements, terms, covenants or conditions of the Lease.

11. Tenant affirms that any dispute with Landlord giving rise to a claim against Landlord is a claim under the Lease only and is subordinate to the rights of the holder of all first lien mortgages on the Building and shall be subject to all the terms, conditions and provisions thereof. Any such claims are not offsets to or defenses against enforcement of the Lease.

12. Tenant affirms that any dispute with Landlord giving rise to a claim against Landlord is a claim under the Lease only and is subordinate to the rights of the Purchaser pursuant to any contract of sale. Any such claims are not offsets to or defenses against enforcement of the Lease.

13. Tenant affirms that any claims pertaining to matters in existence at the time Tenant took possession and which are known to or which were then readily ascertainable by Tenant shall be enforced solely by money judgment and/or specific performance against the Landlord named in the Lease and may not be enforced as an offset to or defense against enforcement of the Lease.

14. There are no actions, whether voluntary or otherwise, pending against or contemplated by Tenant under the bankruptcy laws of the United States or any state thereof.

15. There has been no material adverse change in Tenant's financial condition between the date hereof and the date of the execution and delivery of the Lease.

16. Tenant acknowledges that Landlord has informed Tenant that an assignment of Landlord's interest in the Lease has been or will be made to the Mortgagee and that no modification, revision, or cancellation of the Lease or amendments thereto shall be effective unless a written consent thereto of the Mortgagee is first obtained, and that until further notice payments under the Lease may continue as heretofore.

17. Tenant acknowledges that Landlord has informed Tenant that Landlord has entered into a contract to sell the Property to Purchaser and that no modification, revision or cancellation of the Lease or amendments thereto shall be effective unless a written consent thereto of the Purchaser has been obtained.

18. This certification is made to induce Purchaser to consummate a purchase of the Property and to induce Mortgagee to make and maintain a mortgage loan secured by the Property and/or to disburse additional funds to Landlord under the terms of its agreement with Landlord, knowing that said Purchaser and Mortgagee rely upon the truth of this certificate in making and/or maintaining such purchase or mortgage or disbursing such funds, as applicable.

19. Except as modified herein, all other provisions of the Lease are hereby ratified and confirmed.

TENANT:

Liquidia Technologies, Inc., a Delaware corporation

By: _____

Attest:

Name: _____

By: _____

Secretary

Title: _____

Date: _____

EXHIBIT F
(Page 1 of 12)

ITEMIZED INVENTORY OF HAZARDOUS OR TOXIC MATERIALS chemical name

chemical name
(2-(acryloyloxy)ethyl) trimethylammonium chloride
(3S)-cis-3,6-dimethyl-1,4-dioxane-2,5-dione, 98%
1,1,1-trichloroethane
1.1.2.2-tetrabromoethane
1.1.3.3-tetramethyldisiloxane
1.1'-dioactadecyl-3.3.3'.3'-tetramethylindocarbocyanine perchlorate, 97%
I.I'-dioactadecyl-3.3.3'.3'-tetramethylindodicarbocyanine perchlorate, >=95%
1.2-propanediol
1.3-bis(Trifluoromethyl) benzene
1.3-butanediol
1.3-diaminopropane,99%
1.3-propanediol
1.4-butanediol
1.4-butanediol diacrylate
1.4-Diazabicyclo(2,2,2) octane
1.4-dioxane
1.4-dioxane-2,5-dione
1,6-diisocyanatohexane
1,8-diazabicyclo[5.4.0] undec-7-ene
1 -benzoyl acetone
1 -butane thiol
1-butanol
1H,1H,2H,2H-perfluoro-1-octanol
1-hydroxycyclohexyl phenyl ketone, 99%
1-octadecanethiol
1 -octanol
1 -pentanol
1-vinyl-2-pyrrolidone, 99+%
1-vinylimidazole
2-(2-butoxyethoxy) ethanol
2-(dimethylamine) ethyl methacrylate
2,2'-azobisisobutyronitrile, 98%
2.2-bis(4-trifluorovinyloxyphenyl)-1,1,1,3,3,3-hexafluoropropane
2.2-diethoxyacetophenone
2.2-dimethoxy propane
2.2-dimethoxy-2-phenylacetophenone, 99%
2.5-bis(tert-butylperoxy)-2,5-dimethylhexane, tech., 90%
2.6-dimethyl-4-heptanone
2.6-di-tert-butyl-4-methylphenol
2-allyloxyethanol
2-aminoethyl methacrylate hydrochloride, 90%
2-butanone
2-butanone oxime
2-ethoxyethanol

2-ethyl-4-methyl-imidazole, 95%
2-furaldehyde
2-heptanone, aka methyl amyl ketone
2-hydroxy-2-methylpropiophenone

2-hydroxyethyl disulfide
2-hydroxyethyl methacrylate
2- isocyanatoethyl methacrylate
2- isocyanatoethyl methacrylate
2-methoxyethanol
2-methoxypropene
2-n-morpholinoethyl acrylate
3-(trichlorosilyl)propyl methacrylate
3-(triethoxysilyl) propyl isocyanate
3-(trimethoxysilyl) propyl methacrylate
3,3,4,4,5,5,6,6,7,7,8,8,9,9,10,10,10-heptadecafluoro-l-decanethiol
3.6-dioxa-1,8-octanediothiol
3,9-divinyl-2,4,8,10-tetraoxaspiro(5.5)-undecane
3-aminopropyltriethoxysilane
4-(1,1,2,2,3,3,4,4l5,5,6,6,7,7l8,8,8-heptafluoro-octyl)-1H-imidazole
4,4’-bis(4-trifiuorovinyioxy) biphenyl
4,4-bis(diethyl amino)benzophenone
4,4’-trimethylenedipiperidine
4-Acetylphenyl isocyanate
4-di(methylamino) pyridine
4-fIuorostyrene
4-hydroxy-4-methyl-2-pentanone
4-methyl-2-pentanol
4-methyl-2-pentanone
4-vinyl-1-cyclohexene 1,2 epoxide
4-vinylbenzyl chloride
5-fluorouracil
60A liquid urethane activator
60A liquid urethane base
80A liquid urethane activator
80A liquid urethane base
8515 DL2M
8515 DL Low IV
94A liquid urethane activator
94A liquidia urethane base
a,a’-dichloro-p-xylene
acetic acid, glacial
acetone
acetone-d6
acetonitrile
acetylacetone
acrylamide
acrylic acid
acrylic adhesive
activated carbon
Albumin, human factor V
ally! acetoacetate
allyl bromide
allyl disulfide
aluminum foil
aluminum oxide
aluminum oxide, basic
aluminum oxide, weakly acidic
ammonium formate
aniline
anisaldehyde

arabinogalactan
Asp-Asp-Asp-Asp
benzyl chloride
bis (4-tert-butylphenl)iodonium perfluoro-1-butanesulfonate, 99+%
bisphenol A glycerolate (1 glycerol/phenol) diacryiate
b-mercaptoethanol

boric acid
bromobenzene
bromocresol green
bromophenol blue solution
butyl acetate
carbon disulfide
catalyst T 121 Blue
cellulose acetate
cellulose acetate butyrate
cetyltrimethlyammonium bromide
chitosan
chitosan
chitosan oligosaccharide lactate
chlorobenzene
chloroform
chloroform-d
chloromethyldimethylsilane
chlorotrimethylsilane
cholesteryl 3B-(n-(dimethylaminoethyl) carbamate)
cholesteryl n-(trimethylammonioethyl) carbamate chloride
cholesteryl-N-(Trimethylammonioethyl) carbamate chloride
chromium(VI) oxide
collodion
coumarin
coumarin 6
cyanoacrylate ester
cyclohexane
cyclohexanone
cyracure photoinitiator uvi-6976
cytop
cytop
cytop
Desmodur N 3600
di(ethylene glycol) divinyl ether
di(ethylene glycol) vinyl ether
diacetone acrylamide
dibutylamine
dibutyltin dilaurate
dichloromethane
dicyclopentadiene dioxide, 97%
DiD oil, 1.1'-dioctadecyl-3.3.3'.3'-tetramethylindodicarbocyanine perchlorate
diethanolamine
diethylenetriamine
dimethoxymethanr
dimethyl formamide
dimethyl sulfoxide-d6
dimethyltin dichloride
di-n-butyltin diacetate, 95%
dioctyl sulfosuccinate, sodium salt, 96%
diphenyl(2,4,6-trimethylbenzoyl)-phopshine oxide / 2-hydroxy-2-methylpropiophenone

diphenyliodonium hexafluorophosphate, 98+%
dipropylene glycol
dithiothreitol
DMSO
dodecyl sulfate
dowex 1 x4 ion exchange resin
drierite
DSP-Lomat's Reagent
duro-tak 387-2051
e-caprolatone monomer
epichlorohydrin, 99+%
epoxy embedding medium, accelerator
ethanol
ethanol
ethanolamine
ethanolamine
ethyl 4-aminobenzoate, aka benzocaine
ethyl acetate
ethyl ether
ethyl formamate
ethyl oxo-(4-trifluoromethylphenyl) acetate

ethylene diamine
ethylene glycol
ethylene glycol BIS
fastformTM silver plating solution
flashcure light cure adhesive
fluorescein
fluorescein isothiocyanate, mixed isomers
fluorescein o-acrylate
fluorolink 1500
fluorolink D
fluorolink D4000
fluorolink T
formamide
formic acid
fullerene
gelatin
girard’s reagent t
glycerol
glycerol dimethacrylate
glycerol, 99% GC
glycerol-1-allylether
glycidol
glycidyl methacrylate, 97%
glycidyl methacrylate, 97%
Glycine, for molecular biology
Gly-Gly-Gly-Gly-Gly-Gly
heptane
hexamethylenediamine, 98%
hexane
hexanes, isomers
holo-transferrin human
hydrochloric acid, 37% ACS grade
hydrogen peroxide, 30%
hydroxyethyl acrylate
hydroxypropyl methyl cellulose

ibuprofen
indium(lll) chloride
indium(lll) nitrate hydrate
Indomethacin
iron(ll) chloride
iron(lll) chloride hexahydrate
isophorone
isophorone diisocyanate, 98%
isophorone-diamine, >=99%
isopropanol
isopropanol acs grade
isopropanol, electronic grade
Itraconazole
Itraconazole
Itraconazole, minimum 98% TLC
Krytox
Krytox hexafluoropropylene oxide homopolymer alcohol
loctite Nuva-Sil Medical Device adhesive
M 4512
magnesium sulfate
magnesium sulfate, anhydrous, reagent grade, 97%
Maxima C Plus vacuum pump oil
methacrylic acid
methacrylic acid glycidyl ester
methacryloxypropyltrichlorosilane
methacryloyl chloride
methanol
methanol
methanolic hydrchloric acid
methylcyclohexane
methylenedi-p-phenyl
methyltributylammonium chloride, 75% solution in water
molecular sieves, 4A
molecular sieves, 5A
mono-2-(methacryloyloxy)ethyl succinate
N-(2-Aminoethyl)-3-aminopropylmethyldimethoxysilane

n.n.n’.n’-tetramethylethylenediamine
naproxen
neopentyl glycol diglycidyl ether, tech.
N-heptafluorobutyrylimidazole, 97%
nickel chloride-6-hydrate
nickel(II) sulfate hexahydrate
n-isopropylacrylamide
nitric acid
nitrobenzene
n-methylallylamine
NOA74
n-tris(hydroxymethyl)methyl acrylamide

n-vinylcaprolactam
o-(2-(3-mercaptopropionylamino)ethyl)-o-’methyl-PEG 5000
o-(2-mercaptoethyl)-o’-methyl-hexa(ethylene glycol)
oxalic acid, dihydrate
perchloric acid
perfluorodecalin
perfluorohexane

phenanthrenequinone
phenol
phosphate buffer
phosphoric acid
photoinitiator (SEC-15)
platinum(0)-1,3-divinyl-1,1,3,3-tetramethyldisiloxane
poly(2-hydroxyethyl methacrylate)
poly(dimethylsiloxane) hydroxy terminated, viscosity 1000cP
poly(dimethylsiloxane) hydroxy terminated, viscosity 500cP
poly(dimethylsiloxane), 200 fluid
poly(dimethylsiloxane), hydroxy terminated (base, cure agent)
poly(dimethylsiloxane), methacryloxypropyl terminated
poly(dimethylsiloxane), methacryloxypropyl terminated, 1000 cSt
poly(dl-lactide/glycolide)
poly(dl-lactide/glycolide) 50/50
poly(ethylene glycol) (400) mono-methacrylate
poly(ethylene glycol) acrylate
poly(ethylene glycol) bis (3-aminopropyl) terminated
poly(ethylene glycol) diacrylate
poly(ethylene glycol) diacrylate
poly(ethylene glycol) diglycidyl ether
poly(ethylene glycol) methacrylate
poly(ethylene glycol) methyl ether
poly(ethylene glycol) monoethyl ether monomethacrylate
poly(ethylene glycol), MW 200
poly(ethylene glycol-polylactic acid diblock polymer-peg(1000)-B-pla(750)
poly(ethylene glycol-polylactic acid diblock polymer-peg(5000)-B-pla(1000)
poly(ethylene oxide-propylene oxide)
poly(ethylene terephthalate)
poly(L-lactide)
poly(methyl methacrylate)
poly(styrenesulfonate)/poly(2,3-dihydrothieno(3,4-b)-1,4-dioxin)
poly(tetrafluoroethylene oxide-co-di-fluoromethylene oxide) a,w-diol, ethoxylated
poly(tetrafluoroethylene)
poly(vinyl alcohol)
poly(vinyl alcohol) 75%
poly(vinyl alcohol), 98%
poly(vinyl pyrrolidine), MW 10000
poly(vinyl pyrrolidine), MW 40000
polyaniline
polycaprolactone
polyethylene
polyethylene glycol 4000 solution
polyethylene glycol diacrylate, 97%
polylactic acid
polylactide
polyoxyethylenesorbitan monooleate tween 80
polypyrrole
polythiophene polymer
polyvinyl alcohol
potassium bromide

potassium carbonate anhydrous
potassium hydrogen phthalate
potassium hydroxide
potassium hydroxide
potassium tert-butoxide, 97.0%

povidone
prism surface insensitive instant adhesive
propionitrile
propylene carbonate
propylene glycol monomethyl ether acetate
protamine sulfate
p-styrenesulfonyl chloride
p-toluenesulfonic acid monohydrate
p-toluenesulfonic acid, polymer bound
pyrene
pyridine
pyridinium p-toluenesulfonate
rhodamine b
RnaseZap
sea sand
semicosil 936 UV
sephadex g-10
sephadex g-15
silica
silicon dioxide, hexamethyldisilazane treated
silicon oil
sodium carbonate
sodium chloride, acs reagent, >=99.0%
sodium diethyldithiocarbamate trihydrate
sodium hydride
sodium hydroxide
sodium sulfate
sodium tetraborte decahydrate, acs reagent, 99.5-105.0%
solkane (1,1,1,3,-pentafluorobutane)
span 80
SU-8 1500
SU-8 2010
SU-8 2050
SU-8 Developer
SU-8 Series Resists
succinic dihydrazide
sulfathiazole
sulfuric acid, babcock grade
sulfuric acid, reagent grade, 95-98%
sylgard® 184 silicone elastomer kit, curing agent and base
TEGO 709
TEGQ711
TEGO 902
tert-amyl alcohol aka methyl amyl alcohol
tert-butyl peroxide, 98%
tetrabutyl ammonium bisulfate, 97%
tetrabutyl ammonium bisulfate, 99%
tetrachloroethylene
tetraethylthiuram disulfide
tetrahydrofuran
tetrahydrofuran
thioglycolic acid
thioxanthen-9-one
tin(ll) 2-ethylhexanoate
tin(IV) chloride
tin(IV) chloride pentahydrate

titanium(IV) butoxide
titanium(IV) ethoxide
titanium(IV) isopropoxide
titanium(IV) oxide, nanopowder
toluene

toluene
toluene-2,4-diisocyanate
transferrin, human
trichloro(1H,1H,2H,2H-perfluorooctyl)-silane, 97%
trichloroethylene
triethoxysilane
triethylamine
triethylamine
trimethyl orthoacetate
trimethyl orthoformate
trimethylolpropane ethoxylate triacrylate
trimethylolpropane triacrylate
trimethylolproprane diallyl ether
triphenylsulfonium perfluoro-1-butanesulfonate, 99+%, electronic grade
tris(triphenylphosphine) rhodium(l) chloride
Tween 20
UV acrylate
vacuum pump oil 19

Wacker SilGel 1507
Water, HPLC grade
xylenes
z tetraol
z-dol
z-dol tx
zinc acetate dihydrate
zinc trifluoromethanesulfonate, 98%
Zonyl fluoroadditive Zonyl fiuoromonomer

(The remainder of this page intentionally left blank.)

EXHIBIT G

RENEWAL OPTIONS

As long as (i) Tenant is not in default under this Lease as defined in Section 9.02 at the time of exercise of each Renewal Option (as hereinafter defined) or at the time of commencement of each Renewal Term (as hereinafter defined), (ii) Tenant has not been in monetary default of this Lease as defined in Section 9.02, as evidenced by receipt of written notice from Landlord of such monetary default, more than two (2) times during the Term, and Tenant has not been in non-monetary default under this Lease, as evidenced by receipt of written notice from Landlord of such non-monetary default, more than four (4) times during the Term, and (iii) Tenant is in occupancy of the Leased Premises at the time of exercise of each Renewal Option and at the time of commencement of each Renewal Term, then Tenant is granted two (2) options (each a "Renewal Option") to renew the Term of this Lease for two (2) consecutive periods of three (3) additional years each (each a "Renewal Term"), to commence upon the expiration of the initial Term, and first (1st) Renewal Term, of this Lease. Tenant shall exercise each Renewal Option by delivering written notice of such election to Landlord at least nine (9) months prior to the expiration of the Term, including any Renewal Term. The renewals of this Lease shall be upon the same terms and conditions of this Lease, except (a) the Base Rent during each Renewal Term shall be the then prevailing Market Base Rent Rate (defined below) for similar space in the Building or Project at the time such Renewal Term commences, (b) Tenant shall have no option to renew this Lease beyond the expiration of the second (2nd) Renewal Term, (c) Tenant shall not have the right to assign its renewal rights to any subtenant of the Leased Premises or assignee of this Lease, nor may any such subtenant or assignee exercise such renewal rights, and (d) the leasehold improvements will be provided for Tenant's continued use in their then existing condition (on an "as is" basis) at the time the Renewal Term commences.

As used in this Lease, the term "Market Base Rent Rate" shall mean the prevailing annual rental rate then being charged for single-story, generic office space comparable to other office space in the Project (taking into consideration, but not limited to, use, location and floor level within the applicable building, definition of rentable area, leasehold improvements provided, quality and location of the applicable building, rental concessions (e.g., such as abatements or Lease assumptions) and the time the particular rate under consideration became effective). It is agreed that bona fide written offers to lease the Leased Premises or comparable space made to Landlord by third parties (at arm's-length) may be used by Landlord as an indication of Market Base Rent Rate.

Whenever in this Lease a provision calls for a rental rate to be, or be adjusted to, the Market Base Rent Rate, Tenant shall continue to pay Base Rent as so adjusted and the Additional Rent as provided in this Lease.

(The remainder of this page intentionally left blank.)

EXHIBIT H

FIRST OFFER RIGHT

As long as (i) Tenant is not in default under this Lease as defined in Section 9.02 at the time of exercise of this option or at the time of commencement of the term for the additional space, (ii) Tenant has not been in monetary default of this Lease as defined in Section 9.02, as evidenced by

receipt of written notice from Landlord of such monetary default, more than two (2) times during the Term, and Tenant has not been in non-monetary default under this Lease, as evidenced by receipt of written notice from Landlord of such non-monetary default, more than four (4) times during the Term, and (iii) Tenant is in occupancy of the Leased Premises (in the same, or greater, amount of square footage that was occupied by Tenant as of the Commencement Date) at the time of exercise of this option and at the time of commencement of the term for the additional space, then Landlord hereby grants to Tenant, but not any assignee or subtenant of Tenant, a right (the "First Offer Right") during the Term to lease in its entirety any space that becomes available that is contiguous to the Leased Premises provided that Tenant leases a minimum of 10,000 to 15,000 additional square feet in the Building (the "Space") that may become available (i.e., vacant) with the understanding that the configuration and total square footage contained in the Space shall be determined by Landlord, in Landlord's sole, but reasonable, discretion and Landlord shall notify Tenant of such configuration and square footage at the time of Landlord's written notice to Tenant of the availability of the Space. Landlord shall offer the Space to Tenant at the prevailing Market Base Rent Rate (defined below), upon the following terms and conditions:

The First Offer Right set forth herein is subject to any prior existing rights of any third parties and Landlord's hereby reserved right to continue to lease (by lease amendment or new lease agreement) the Space to the tenant, assignee or subtenant occupying the Space, whether or not pursuant to an option to renew. Landlord specifically acknowledges and agrees that, as of the Execution Date, there are no other tenants in the Project with any rights to the Space, except for the existing tenant, International Business Machines Corporation.

1. Prior to Landlord leasing the Space to any third party. Landlord shall provide Tenant with written notice of the availability of the Space and written terms of the expansion.

2. Tenant shall then have ten (10) business days from the date of Landlord's notice in which to respond, in writing.

3. If Tenant elects to lease the Space, Tenant shall provide Landlord with written notice of such election within ten (10) calendar days of the date of Landlord's notice. The parties shall then have thirty (30) calendar days from the date of Tenant's notice to agree to mutually acceptable terms for Tenant's leasing the Space and to execute an amendment to this Lease specifying the terms of the expansion.

4. Tenant shall accept the Space in its then-existing condition. The term of this Lease with regard to the Space shall commence on Tenant's occupancy of the Space (the "Space Commencement Date"); provided, however, that in no event shall the Space Commencement Date be later than thirty (30) calendar days after the expiration of the prior tenant's lease. The term of this Lease for the Space shall expire on the later of: (i) coterminously with the Expiration Date of this Lease, as such may be amended, or (ii) three (3) years from the Space Commencement Date, in which such event the Term of this Lease for the entire Leased Premises shall also be extended to such date.

5. If Tenant does not respond to Landlord's notice within such ten (10) business day period or provides Landlord with written notice that Tenant does not elect to lease the Space, or if Landlord and Tenant, working in good-faith, fail to execute an amendment to this Lease with regard to the Space, then the First Offer Right shall terminate with regard to the Space described in Landlord's notice, and Landlord may thereafter lease the Space that was described in Landlord's notice to any third party on the terms set forth in Landlord's notice to Tenant. If such Space becomes available to lease at a later date during the Term, or if Landlord does not lease such Space on the terms set forth in the notice, then Landlord must again offer such Space to Tenant for lease, and the terms and provisions of this First Offer Right shall apply to such re-offered Space.

6. Notwithstanding the foregoing, in the event Tenant leases the Space (either during an initial offering of such Space or a re-offering of such Space), Tenant shall, at Tenant's sole cost and expense, bring any remaining vacant space in the Building (the "Vacant Space") to a similar condition to that which existed immediately prior to Tenant's exercise of its First Offer Right ("Leasable Condition"), including, but not limited to, (i) ensuring Leasable Condition electrical capacity in the Vacant Space, (ii) ensuring Leasable Condition plumbing facilities (including rest rooms) in the Vacant Space, (iii) build-out of a main entry for the Vacant Space, and (iv) any other items required by any federal, state or municipal building code for the Vacant Space (the work done to bring the Vacant Space to a Leasable Condition shall be "Tenant's Work in the Vacant Space"). Subject to the aforementioned code requirements, Landlord shall have the right to approve Tenant's Work in the Vacant Space, with Landlord acting reasonably.

As used in this Lease, the term "Market Base Rent Rate" shall mean the annual rental rate then being charged in the greater Research Triangle Park/Interstate-40 area of North Carolina for space comparable to the space for which the Market Base Rent Rate is being determined (taking into consideration, but not limited to, use, location and floor level within the applicable building, definition of rentable area, leasehold improvements provided, quality and location of the applicable building, rental concessions (e.g., such as abatements or Lease assumptions) and the time the particular rate under consideration became effective). It is agreed that bona fide written offers to lease the Leased Premises or comparable space made to Landlord by third parties (at arm's-length) may be used by Landlord as an indication of Market Base Rent Rate.

(The remainder of this page intentionally left blank.)

STATE OF NORTH CAROLINA

DURHAM COUNTY LEASE MODIFICATION AGREEMENT NO. 1

THIS LEASE MODIFICATION AGREEMENT NO. 1 (this "Agreement") is made and entered into as of this ' day of ,-2008 (the "Execution Date"), by and between **GRE Keystone Technology Parjr One LLC,** Delaware limited liability company ("Landlord"), and **Liquidia Technologies, Inc.,** a Delaware corporation authorized to conduct business in the State of North Carolina ("Tenant").

WITNESSETH:

WHEREAS, Landlord and Tenant entered into that certain Lease Agreement dated June 29, 2007 (the "Lease"), pursuant to which Tenant leased approximately 21,210 square feet of flex space contained in Suite 600 (the "Leased Premises") of the building known as Keystone Technology Park -

Building IV, and located at 419 Davis Drive, Durham, North Carolina 27713 (the "Building"). (The Lease is incorporated herein by reference in its entirety. Any capitalized term used and not otherwise defined herein shall have the meaning ascribed to it in the Lease.); and

WHEREAS, Section 4.09 of the Lease (Amortization of Excess Upfit) allows Tenant, at its option, to pay as Additional Rent the amount that is in excess of the Allowance for the Upfit to the Leased Premises, up to a maximum of Seven Hundred Sixty-eight Thousand Eight Hundred Sixty-two Dollars and Fifty Cents ($768,862.50) (the "Amortized Allowance"), amortized using an annual interest rate of seven percent (7%), commencing November 1, 2008 and amortized over the remaining initial Term of the Lease (*i.e.*, through October 31, 2014), and paid in equal monthly installments (such actual monthly payment shall be the "Upfit Amortization"); and

WHEREAS. Tenant has notified Landlord of Tenant's desire repay the Amortized Allowance as Additional Rent under the Lease; and

WHEREAS. Landlord and Tenant desire to amend the Lease setting forth the actual repayment amount for the Amortized Allowance upon the terms and conditions contained herein.

NOW, THEREFORE, in consideration of the premises, rent, mutual covenants and conditions contained herein, and other good and valuable consideration, the receipt and adequacy of which is hereby acknowledged, Landlord and Tenant hereby agree as follows:

1. Amortized Allowance Repayment. Pursuant to Section 4.09 of the Lease, commencing November 1, 2008 and continuing each month through the remainder of the initial Term of the Lease (i.e., through October 31, 2014), the Amortized Allowance payable by Tenant to Landlord shall equal $13,108.34 per month. The monthly payment shall be due and payable as of the first day of each month in the same manner as Base Rent under Section 4.01 of the Lease and subject to a Late Charge for late payments in accordance with Section 4.08 of the Lease.

2. Affirmation of Lease Terms. Except as expressly modified herein, the original terms and conditions of the Lease shall remain in full force and effect.

3. Binding Agreement. Upon execution by Tenant, this Agreement shall be binding upon Tenant, its legal representatives and successors, and, to the extent assignment may be approved by Landlord hereunder. Tenant's assigns. Upon execution by Landlord, this Agreement shall be binding upon Landlord, its legal representatives, successors and assigns. This Agreement shall inure to the benefit of Landlord and Tenant, and their respective representatives, successors and permitted assigns.

4. Counterparts. This Agreement may be executed in any number of counterparts, each of which shall be an original, but all of which taken together shall constitute one and the same instrument.

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

LANDLORD:

GRE Keystone Technology Park One LLC, a Delaware limited liability company

By: GRE Keystone Technology Park Holdings LLC, a Delaware limited liability company, its Sole Member

By: Capital Associates Management, LLC, a North Carolina limited liability company, acting as Investment Manager for GRE Keystone Technology Park Holdings LLC

By: /s/ Stephen P. Porterfield
Stephen P. Porterfield, Delegate Manager

TENANT:

Liquidia Technologies, Inc, a Delaware corporation

By: /s/ Bruce Boucher

Name: Bruce Boucher

Title: President

STATE OF NORTH CAROLINA
DURHAM COUNTY

LEASE MODIFICATION AGREEMENT NO. 2

THIS LEASE MODIFICATION AGREEMENT NO. 2 (this "Agreement") is made and entered into as of this day of , 2010 (the "Execution Date"), by and between **GRE Keystone Technology Park One LLC,** a Delaware limited liability company ("Landlord"), and **Liquidia**

Technologies, Inc., a Delaware corporation authorized to conduct business in the State of North Carolina ("Tenant").

WITNESSETH:

WHEREAS, Landlord and Tenant entered into that certain Lease Agreement dated June 29, 2007 (the "Original Lease"), pursuant to which Tenant leased approximately 21,210 square feet of space contained in Suite 600 (the "Original Leased Premises") of the building known as Keystone Technology Park - Building IV, and located at 419 Davis Drive, Durham, North Carolina 27713 (the "Building"); and

WHEREAS, Landlord and Tenant entered into that certain Lease Modification Agreement No. 1 dated January 12, 2009 ("Amendment No. 1"), pursuant to which the Upfit Amortization for the Amortized Allowance was set forth. The Original Lease and Amendment No. 1 are incorporated herein by reference in their entirety and hereinafter collectively referred to as the "Lease". Any capitalized term used and not otherwise defined herein shall have the meaning ascribed to it in the Lease; and

WHEREAS, the Suite number set forth in the Lease is Suite 600, but Tenant is using Suite number 100 instead; and

WHEREAS, Exhibit H to the Lease (First Offer Right) contains a First Offer Right for Tenant to lease additional space in the Building that is contiguous to the Original Leased Premises, and Tenant has exercised its First Offer Right for certain additional space; and

WHEREAS, Landlord and Tenant desire to modify the Lease in order to expand the Original Leased Premises and to make certain other modifications to the Lease, upon the terms and conditions contained herein.

NOW, THEREFORE, in consideration of the premises, rent, mutual covenants and conditions contained herein, and other good and valuable consideration, the receipt and adequacy of which is hereby acknowledged, Landlord and Tenant hereby agree as follows:

1. Notice Addresses.

The notice address for Landlord, provided in Subsection 2.01(k) of the Lease shall change to the following:

GRE Keystone Technology Park One LLC
c/o Capital Associates
1255 Crescent Green, Suite 300
Cary, North Carolina 27518
(919)233-9901

Landlord and Tenant specifically acknowledge and agree that Landlord's address for Rent payments shall remain as set forth in Subsection 2.01(k) of the Lease.

2. Suite Number. Effective as of the Execution Date, Subsection 2.01(b) of the Lease is amended to show that the Suite number for the Leased Premises is "Suite 100".

3. Leased Premises/Occupancy Limit.

4. Effective as of March 1, 2011 (the "Expansion No. 1 Date"), Subsection 2.01(b) of the Lease is amended to show that the "Leased Premises" shall contain approximately 36,831 square feet of space, including the 15,621 square feet of additional space contained in the Building and shown on Exhibit A-l-a ("Expansion No. 1")

and thereafter the Leased Premises shall be as described in the attached Exhibit A-l-b, both of which are incorporated by reference in this Agreement in their entirety.

5. Effective as of March 1, 2011, the Permitted Maximum Occupancy set forth in Subsection 2.01(i) of the Lease shall be changed to "145 persons".

6. Rent. Effective as of the Expansion No. 1 Date, Base Rent shall be as follows:

7. Base Rent shall be a blended sum of the following: for the Leased Premises, Base Rent shall continue to be as set forth in the Original Lease (including all escalations as set forth therein), and with regard to Expansion No. 1, (i) shall be equal to $10.70 per square foot, per annum, (ii) abated in full for the first six (6) full months after the Expansion No. 1 Date and abated in part (so that the rental shall equal $5.35 per square foot, per annum) for full months seven (7) through nine (9) after the Expansion No. 1 Date, and (iii) escalated by 3.0% on the first day of the 13th full anniversary month and each subsequent annual anniversary of the Expansion No. 1 Date throughout the Term (i.e., each March 1st); and

8. Therefore, the Base Rent chart set forth in Subsection 2.01(d) of the Lease is amended as follows:

Full Month(s) after Expansion No. 1 Date	Date(s)	Original Leased Premises Monthly Base Rent (21,210SF)	Expansion ' No. 1 Monthly Base Rent (15,621 SF)	Total Monthly Base Rent	Annual (or for time period noted) Base Rent
Prior to Expansion No. 1	11/1/10 through 2/28/11	$20,279.65	N/A	$20,279.65	$40,559.30 (for 2 months)
1 through 6	3/1/11 through 8/31/11	$20,279.65	$0.00 ($10.70/SF Base Rent abated)	$20,279.65	$121,677.90 (for 6 months)
7 through 9	9/1/11 through	$20,279.65	$6,964.36	$27,244.01	$81,732.03

	11/30/11		(1/2 of S10.70/SF Base Rent abated)		(for 3 months)
10 through 12	12/1/11 through 2/29/12	$20,888.04	$13,928.73	$34,816.77	$104,450.31 (for 3 months)
13 through 20	3/1/12 through 10/31/12	$20,888.04	$14,346.59	$35,234.63	$281,877.04 (for 8 months)
21 through 24	11/1/12 through 2/28/13	$21,514.68	$14,346.59	$35,861.27	$143,445.08 (for 4 months)
25 through 32	3/1/13 through 10/31/13	$21,514.68	$14,776.99	$36,291.67	$290,333.36 (for 8 months)
33 through 36	11/1/13 through 2/28/14	$22,160.12	$14,776.99	$36,937.11	$147,748.44 (for 4 months)
37 through 44	3/1/14 through 10/31/14	$22,160.12	$15,220.30	$37,380.42	$299,043.36 (for 8 months)

In addition to the foregoing, Tenant shall continue to be liable to Landlord for the Additional Rent applicable to the Original Leased Premises and Expansion No. 1 as set forth in the Lease. For purposes of clarity, Tenant will be liable to Landlord for the Additional Rent applicable to Expansion No. 1 during the abated Base Rent period set forth above. Effective as of the Expansion No. 1 Date, Tenant's total monthly TICAM Expense Adjustment payment is estimated to equal $8,962.21 based upon estimated TICAM Expenses of $2.92 per square foot, per annum.

9. Cap on TICAM Expenses. The last three sentences of Section 4.04 (c) shall be deleted in its entirety and replaced with the following:

Notwithstanding the foregoing, commencing January 1, 2011, and for purposes of determining Tenant's annual TICAM Expense Adjustment in any calendar year of the Term, the TICAM Expenses which are controllable by Landlord (the "Controllable TICAM") shall not exceed the Controllable TICAM for the year ending December 31, 2010 (which for purposes of the annual TICAM Expense Adjustment calculation shall be treated as the "base year"), increased at a rate of five percent (5%), compounded annually. The limitation shall not apply to the following expenses: taxes, insurance, utilities, refuse collection, weather related cleanup, and any other TICAM Expense item not within Landlord's reasonable control (the "Uncontrollable Expenses"). Any expenses other than Uncontrollable Expenses shall be Controllable TICAM.

10. Tenant Improvements. Effective as of the Execution Date, the Lease is amended by the addition of the attached Exhibit B with respect to the fitup work in the Original Leased Premises and Expansion No. 1.

11. Security. Within ten (10) business days of the full execution and delivery of this Agreement, Tenant shall provide Landlord with additional Security for the Lease in the amount of $11,000.00 and thereafter, Subsection 2.01(i) of the Lease will be changed to reflect the total Security for the Lease as "$36,000.00".

12. First Offer Right. Even though Tenant has exercised its First Offer Right with regard to the Space, Landlord shall keep the First Offer Right set forth in Exhibit H to the Lease intact, but the "Space" shall now be as set forth on the attached, Exhibit H-l, and Tenant shall retain the option to lease a minimum of 10,000 square feet contained in the revised Space.

13. Brokerage/Indemnification. Landlord and Tenant each represent to the other that they, respectively, have had no dealings with any real estate broker or agent in connection with the negotiation of this Agreement except for Capital Associates Management, LLC, Landlord's broker, and Cassidy Turley, Tenant' broker, and that they, respectively, know of no other real estate broker or agent who is entitled to a commission or finder's fee in connection with this Agreement. Each party shall indemnify, protect, defend and hold harmless the other party against all claims, demands, losses, liabilities, lawsuits, judgments, and costs and expenses (including, but not limited to, reasonable attorneys' fees) for any leasing commission, finder's fee or equivalent compensation alleged to be owed on account of dealings with any other than the above-stated real estate brokers by the party from whom indemnification is sought. Landlord shall pay the commissions or fees due with respect to Expansion No. 1 to the above-stated Landlord's broker. Landlord's broker will then pay Tenant's broker.

14. Affirmation of Lease. Except as expressly modified herein, the original terms and conditions of the Lease shall remain in full force and effect.

15. Binding Agreement. Upon execution by Tenant, this Agreement shall be binding upon Tenant, its legal representatives and successors, and, to the extent assignment may be approved by Landlord hereunder, Tenant's assigns. Upon execution by Landlord, this Agreement shall be binding upon Landlord, its legal representatives, successors and assigns. This Agreement shall inure to the benefit of Landlord and Tenant, and their respective representatives, successors and permitted assigns.

16. Counterparts. This Agreement may be executed in any number of counterparts, each of which shall be an original, but all of which taken together shall constitute one and the same instrument.

(Signatures appear on the following page.)

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

LANDLORD:

GRE Keystone Technology Park One LLC, a Delaware limited liability company

By: GRE Keystone Technology Park Holdings LLC, a Delaware limited liability company, its Sole Member

By: Capital Associates Management, LLC, a North Carolina limited liability company, acting as Investment Manager for GRE Keystone Technology Park Holdings LLC

By: /s/ Stephen P. Porterfield
Stephen P. Porterfield, Delegate Manager

TENANT:

Liquidia Technologies, Inc, a Delaware corporation

By: /s/ Bruce Boucher

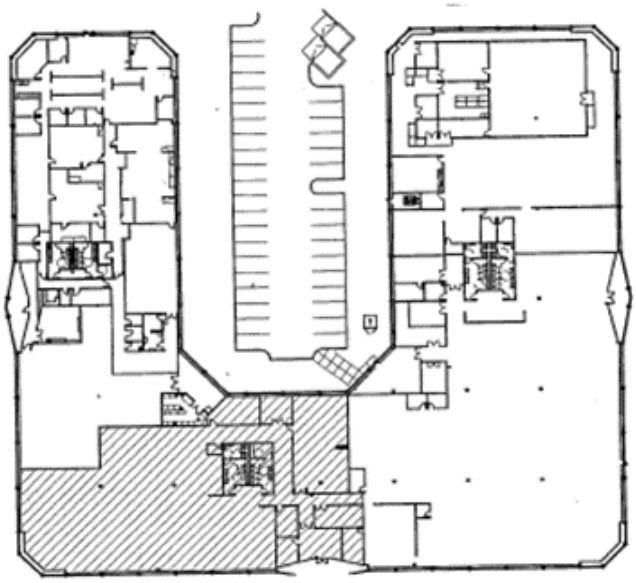
Name: Bruce Boucher

Title: President

EXHIBIT A-1-a

EXPANSION NO. 1

Keystone Technology Park - Building IV
419 Davis Drive
Durham, North Carolina 27713

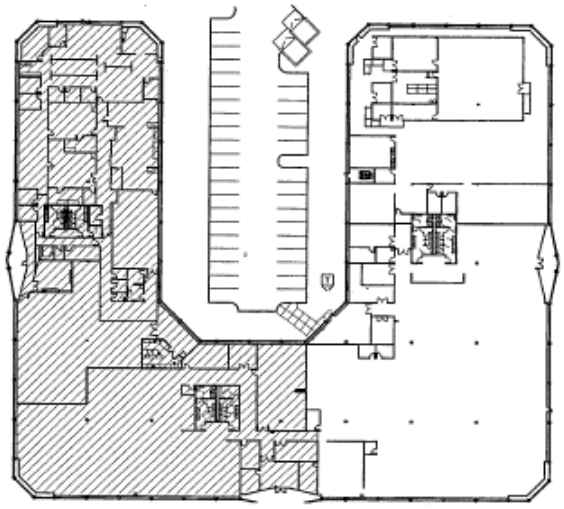


= approximately 15,621 square feet = Expansion No. 1

EXHIBIT A-b

ENTIRE LEASED PREMISES (from and after the Expansion No. 1 Date)

Keystone Technology Park - Building IV
419 Davis Drive, Suite 100
Durham, North Carolina 27713



= approximately 36,831 square feet = entire Leased Premises (from and after the Expansion No. 1 Date)

EXHIBIT B

WORKLETTER AGREEMENT

1) Existing Condition and Expansion No. 1 Tenant Improvements. The condition of the Original Leased Premises and Expansion No. 1 as of the date of this Agreement, as is and with all faults, shall be deemed the "Existing Condition". All demolition of and improvements made to the Existing Condition in accordance with the Schematic Space Plan and Plans (both defined below) shall be deemed the "Tenant Improvements".

2) Allowance. Landlord shall provide Tenant with a tenant improvement allowance in the amount not to exceed $124,968.00 (the "Expansion Allowance"), to pay for the costs and expenses incurred by Landlord for the design and construction of Expansion No. 1 and modifications to the design and construction of the Original Leased Premises. The costs and expenses shall include, but not be limited to, the costs and expenses of any (i) design and construction services related to architectural, plumbing, mechanical and electrical trades, (ii) demolition work, (iii) construction administration services provided by Landlord's architect and consulting engineers, and (iv) other work necessary to demise the space. Costs and expenses shall also include all costs associated with any contractor's general conditions, permits (including any new or changes to development, facility or transportation impact fees), taxes, insurance and fees (but shall not include a construction management fee for Landlord).

3) Design. Landlord shall cause an architect and one or more engineers, each of whom shall be designated by Landlord and reasonably approved by Tenant, to consult with Tenant and to prepare architectural, plumbing, mechanical and electrical plans that are (i) consistent with the "Schematic Space Plan" for the Leased Premises (including Expansion No. 1), (ii) sufficiently detailed for pricing, approval and construction of the Tenant Improvements, and (iii) subject to Landlord's approval, which shall not be unreasonably withheld (the "Detailed Plans"). All partitions, doors, hardware, ceiling tile, window coverings, plumbing, HVAC, lighting fixtures, switches, outlets and life safety items shall be designed in Landlord's standard manner. Carpet, paint, and millwork shall be selected and designed in Landlord's standard manner and from Landlord's standard finishes, unless otherwise agreed to by Landlord-, in accordance with Section 4 herein. Tenant shall furnish to Landlord all other information and technical data reasonably necessary for the preparation of the Detailed Plans within two (2) business days of Landlord's request therefor, or as otherwise agreed to by Tenant and Landlord, so as not to delay the design, pricing, approval and construction of the Tenant Improvements by the Expansion No. 1 Date. Tenant has authorized Bruce Boucher ("Tenant's Representative") to represent Tenant for all purposes related to the design and construction of the Tenant Improvements, including approval of the Plans and any Change Orders (as defined below), and approval by Tenant's Representative shall constitute approval by Tenant.

4) Approval of Plans and Cost. Landlord shall cause a general contractor or contractors designated by Landlord and reasonably approved by Tenant, to prepare detailed pricing of construction of the Tenant Improvements pursuant to the Detailed Plans. Landlord shall submit to Tenant for Tenant's approval (i) the Detailed Plans and (ii) an itemized cost statement of all design and construction costs related to the Tenant Improvements (the "Cost Statement"). Within five (5) business days after its receipt of the Detailed Plans and Cost Statement, Tenant shall approve the Detailed Plans and the Cost Statement in writing, subject to any modifications or changes in the Detailed Plans requested by Tenant. Landlord, in its reasonable discretion, shall retain final approval rights for the Detailed Plans. After Tenant's approval of the Detailed Plans and the Cost Statement, or in the event Tenant does not respond to Landlord within such five (5) business day period, the Detailed Plans and the Cost Statement shall be deemed to be approved by Tenant, and the approved Detailed Plans shall be thereafter deemed the "Plans". Notwithstanding anything to the contrary contained herein, if the costs and expenses of the Tenant Improvements as approved by Tenant exceed the Expansion Allowance, then Tenant shall be obligated to pay for all such excess costs. Landlord shall submit an invoice to Tenant for such excess costs at the time the Detailed Plans and Cost Statement are approved or deemed approved by Tenant, and Tenant shall pay the excess costs within fifteen (15) days of receipt of Landlord's invoice therefor. If the cost of designing and constructing the Tenant Improvements as approved by Tenant is less than the Expansion Allowance, Tenant shall not be entitled to any refund of the unused portion of the Expansion Allowance.

5) Change Orders and Additional Costs. After approval of the Cost Statement by Tenant, additional costs will likely be incurred by Landlord. These costs may include, without limitation, design costs that may not yet have been billed, design costs for selection of finishes, costs for construction clarifications and other construction

administration by the architect or engineers, construction changes required by governmental inspectors, and changes to the Plans or actual construction initiated by Tenant. From time to time, Landlord shall update the previously approved Cost Statement to account for the subsequent changes in cost, and Tenant shall pay any cost in excess of the Expansion Allowance and not previously paid by Tenant within fifteen (15) days of receipt of an invoice detailing such costs. For changes initiated by Tenant that will revise the previously approved Cost Statement or the construction schedule and increase the costs associated therewith, a change order ("Change Order") shall be prepared by Landlord, its architect, or general contractor. Each Change Order shall include information regarding any revisions to the cost and construction schedule, and shall provide sufficient information for evaluation by Landlord, its architect, and Tenant. Before the work detailed on the Change Order proceeds, Tenant's Representative must approve the Change Order, including any increase in cost and time. Tenant shall have two (2) business days to approve each Change Order, unless Landlord grants Tenant more time. If Tenant does not approve the Change Order within the approval period, the Change Order shall be deemed disapproved by Tenant. If the Change Order is not approved or deemed disapproved, Landlord shall not proceed with the work contemplated in the Change Order. If the Change Order is approved and the additional cost exceeds Five Thousand Dollars ($5,000.00), are in excess of the Expansion Allowance, and if requested by Landlord, Tenant shall pay the cost of any such Change Order before Landlord proceeds with the work that is the subject of the Change Order.

6) Construction. After Tenant (i) approves the Detailed Plans and the Cost Statement, (or if Tenant does not respond to Landlord regarding the Detailed Plans and the Cost Statement, as set forth in Section 4 herein), and (ii) pays any and all costs in excess of the Expansion Allowance as set forth in Section 4 herein, then Landlord shall be entitled to cause, and shall cause, the general contractor designated by Landlord to construct the Tenant Improvements in accordance with the Plans and the Cost Statement.

7) Delay. There shall be no delay in the commencement of payments of Rent with regard to Expansion No.1, even if the Tenant Improvements are not completed by March 1, 2011.

8) Tenant's Access to Expansion No. 1. Landlord shall permit Tenant and its agents reasonable access to Expansion No. 1 during normal business hours prior to the Expansion No. 1 Date for the purpose of installing telephone and computer cabling, equipment, fixtures and other personal property, and the entry and use of Expansion No. 1 shall not constitute acceptance of Expansion No. 1 nor Tenant's acknowledgment of the Expansion No. 1 Date of the Lease, unless Tenant commences the operation of any portion of its business therein. This right of entry onto Expansion No. 1 is a license from Landlord to Tenant which is subject to revocation in the event that Tenant or its employees, contractors or agents causes or is the cause of any code or governmental violation, labor dispute, delay or damage during the period which results from, whether directly or indirectly, the installation or delivery of the foregoing, or otherwise becomes in default of any term, covenant or condition of the Lease as provided in Section 9.02. Prior to Tenant's entry onto Expansion No. 1 in accordance herewith, Tenant shall demonstrate to Landlord that it has obtained the insurance required and is in compliance with Section 8.04 of the Lease.

9) Warranties. Landlord shall cause the repair or replacement of any defects in material or workmanship in the Tenant Improvements installed by Landlord for a period of one (1) year after the date of substantial completion of the Tenant Improvements, or the duration of any manufacturer's warranty, whichever is longer, provided Tenant notifies Landlord of the defect as soon as reasonably practicable after the date Tenant discovers the defect. LANDLORD MAKES NO WARRANTIES, EXPRESS OR IMPLIED, INCLUDING BUT NOT LIMITED TO IMPLIED WARRANTIES OF MERCHANTABILITY AND FITNESS FOR A PARTICULAR PURPOSE, IN CONNECTION WITH THE TENANT IMPROVEMENTS EXCEPT AS EXPRESSLY SET FORTH IN THIS SECTION 8. Tenant's sole remedy for the breach of any applicable warranty shall be the remedy set forth in this Section 8. Tenant agrees that no other remedy, including without limitation, incidental or consequential damages for lost profits, injury to person or property or any other incidental or consequential loss, shall be available to Tenant.

10) Compliance with Certain Requirements. At any time before, during, and after construction, Landlord shall have the right to require changes to the Plans and construction in order to comply with applicable building codes, other governmental requirements, and insurance requirements. Neither Landlord's nor Tenant's approval of the Plans is a warranty that the Plans comply with applicable building codes, other governmental requirements, and insurance requirements.

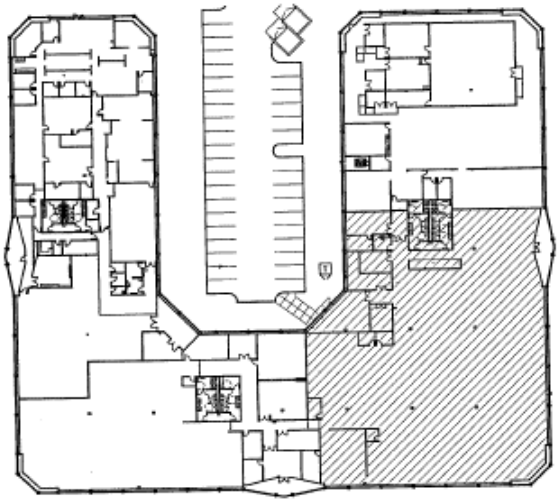
11) No Liability. Notwithstanding the review and approval by Landlord of the Detailed Plans and any changes to same, Landlord shall have no responsibility or liability, including the costs of additional or corrective work, in regard to the safety, sufficiency, adequacy or legality thereof, and Tenant shall look solely to the party(ies) preparing same as the party(ies) responsible for ensuring that the Detailed Plans and changes thereto (and the architectural and engineering completeness and sufficiency thereof and the Tenant Improvements constructed as a result thereof) are in compliance with all applicable laws and regulations, and Tenant's stated intended use.

(The remainder of this page intentionally left blank.)

EXHIBIT H_1

THE SPACE

Keystone Technology Park - Building IV
419 Davis Drive
Durham, North Carolina 27713



= approximately 25,038 square feet = the Space (as revised in Lease Modification Agreement No. 2).

THIRD AMENDMENT TO LEASE AGREEMENT

THIS THIRD AMENDMENT TO LEASE AGREEMENT (this "***Amendment***) is entered into between **LCFRE DURHAM KEYSTONE TECHNOLOGY PARK, L.P.,** a Delaware limited partnership (***'Landlord'***), and **LIQUIDIA TECHNOLOGIES, INC.,** a Delaware corporation ("***Tenant***"), with reference to the following:

A. GRE Keystone Technology Park One LLC (predecessor-in-interest to Landlord) and Tenant entered into that certain Lease Agreement dated June 29, 2007, as amended by that certain Lease Modification Agreement No. 1 dated January 12, 2009, and that certain Lease Modification Agreement No. 2 dated December 17, 2010 (as amended, the "Lease "), covering approximately 36.831 rentable square feet known as Suite 100 on the 1st floor (the "Premises") of 419 Davis Drive, Durham, North Carolina, commonly known as Keystone Technology Park - Building IV (the "***Building***").

B. Landlord and Tenant now desire to further amend the Lease as set forth below. Unless otherwise expressly provided in this Amendment, capitalized terms used in this Amendment shall have the same meanings as in the Lease.

FOR GOOD AND VALUABLE CONSIDERATION, the receipt and sufficiency of which are acknowledged, the parties agree as follows:

1. **First Extension Period**. The term of the Lease is extended for a period of 36 months (the "***First Extension Period***') commencing on November 1, 2014 and expiring on October 31, 2017 Tenant acknowledges that it has no further extension or renewal rights or options under the Lease except for the one remaining option to renew for 3 years as set forth in **Exhibit G** of the Lease.

2. **Base Rent**. Commencing on November 1, 2014 and continuing through the First Extension Period, Tenant shall, at the time and in the manner provided in the Lease, pay to Landlord as Base Rent for the Premises the amounts set forth in the following rent schedules, plus any applicable tax thereon:

Premises

FROM	THROUGH	RATE	MONTHLY BASE RENT
November 1,2014	October 31. 2015	$ 12.75	$ 39,132.94
November 1,2015	October 31, 2016	$ 13.13	$ 40,299.25
November 1, 2016	October 31, 2017	$ 12.53	$ 41,526.95

3. **TICAM Expenses**. Tenant shall continue to pay Tenant's Pro Rata Share of TICAM Expenses as more particularly described in **Article 4** of the Lease during the First Extension Period.

4. **Condition of Premises**. Tenant accepts the Premises in its "as-is" condition. However, any necessary construction of leasehold improvements shall be accomplished and the cost of such construction shall be paid in accordance with the "Work Letter" between Landlord and Tenant attached to this Amendment as **Exhibit A**. Tenant acknowledges that Landlord has not undertaken to perform any modification, alteration or improvement to the Premises. **TENANT WAIVES ANY CLAIMS DUE TO DEFECTS IN THE PREMISES**. Tenant waives the right to terminate the Lease due to the condition of the Premises. Nothing in this Section shall be deemed to negate Landlord's repair and maintenance obligations under the Lease.

5. **Consent**. This Amendment is subject to, and conditioned upon, any required consent or approval being unconditionally granted by Landlord's mortgagee(s). If any such consent shall be denied, or granted subject to an unacceptable condition, this Amendment shall be null and void and the Lease shall remain unchanged and in full force and effect.

6. **Broker**. Tenant represents and warrants that it has not been represented by any broker or agent in connection with the execution of this Amendment, except Jim Allaire of Cushman & Wakefield/Thalhimer as

Tenant's broker, and Sue Back and Jordan Betz of Cushman & Wakefield/Thalhimer as Landlord's broker whose commissions shall be paid by Landlord pursuant to separate written agreements. Tenant shall indemnify, defend and hold harmless Landlord and its designated property management, construction and marketing firms, and their respective partners, members, affiliates and subsidiaries, and all of their respective officers, directors, shareholders, employees, servants, partners, members, representatives, insurers and agents from and against all claims (including costs of defense and investigation) of any other broker or agent or similar party claiming by, through or under Tenant in connection with this Amendment. Landlord shall indemnify, defend and hold harmless Tenant and its partners, members, affiliates and subsidiaries, and all of their respective officers, directors, shareholders, employees, servants, partners, members, representatives, insurers and agents from and against all claims (including costs of defense and investigation) of any other broker or agent or similar party claiming by, through or under Landlord in connection with this Amendment.

7. **OFAC List Representation**. Tenant hereby represents and warrants to Landlord that neither Tenant nor any of its officers, directors, shareholders, partners, members or affiliates is or will be an entity or person: (a) that is listed in the annex to. or is otherwise subject to the provisions of. Executive Order 13224 issued on September 24, 2001 ("***EO 13224"***): (b) whose name appears on the United States Treasury Department's Office of Foreign Assets Control ("***OFAC"***) most current list of "Specially Designated National and Blocked Persons" (which list may be published from time to time in various mediums including, but not limited to. the OFAC website, http:www.treas.gov/ofac/tl lsdn.pdf); (c) who commits, threatens to commit or supports "terrorism," as that term is defined in EO 13224; or (d) who is otherwise affiliated with any entity or person listed above.

8. **Time of the Essence**. Time is of the essence with respect to Tenant's execution and delivery to Landlord of this Amendment. If Tenant fails to execute and deliver a signed copy of this Amendment to Landlord by 5:00 p.m. (in the city in which the Premises is located) on May 30, 2014, this Amendment shall be deemed null and void and shall have no force or effect, unless otherwise agreed in writing by Landlord. Landlord's acceptance, execution and return of this Amendment shall constitute Landlord's agreement to waive Tenant's failure to meet such deadline.

9. **Miscellaneous**. This Amendment shall become effective only upon full execution and delivery of this Amendment by Landlord and Tenant. This Amendment contains the parties' entire agreement regarding the subject matter covered by this Amendment, and supersedes all prior correspondence, negotiations, and agreements, if any, whether oral or written, between the parties concerning such subject matter. There are no contemporaneous oral agreements, and there are no representations or warranties between the parties not contained in this Amendment on which the parties have relied. Except as modified by this Amendment, the terms and provisions of the Lease shall remain in full force and effect, and the Lease, as modified by this Amendment, shall be binding upon and shall inure to the benefit of the parties hereto, their successors and permitted assigns.

[Signatures to follow]

LANDLORD AND TENANT enter into this Amendment as of the Effective Date specified below Landlord's signature.

LANDLORD:

LCFRE DURHAM KEYSTONE TECHNOLOGY PARK, L.P., a Delaware limited partnership

By: LCFRE Durham Keystone Technology Park GP. LLC. a Delaware limited liability company, its general partner

By: /s/ Thomas P. Paterson
Name: Thomas P. Paterson
Title: Vice President
Effective date: June 25,2014

TENANT:

LIQUIDIA TECHNOLOGIES, INC., a Delaware corporation

By: /s/ Timothy Albury
Name: Timothy Albury
Title: CFO

EXHIBIT A

WORK LETTER

This Work Letter is attached as an Exhibit to that certain Third Amendment to Lease Agreement (the "***Amendment***") between **LCFRE DURHAM KEYSTONE TECHNOLOGY PARK, L.P., as Landlord, and LIQUIDIA TECHNOLOGIES, INC.,** as Tenant, that amends that certain Lease

Agreement dated June 29, 2007 (as amended, the "***Lease***") and relating to the lease by Landlord to Tenant of that certain Premises. Unless otherwise specified, all capitalized terms used in this Work Letter shall have the same meanings as in the Lease as amended by the Amendment.

1. **Construction**. Tenant agrees to construct leasehold improvements (the "***Tenant Work***") in a good and workmanlike manner in and upon the Premises, at Tenant's sole cost and expense, in accordance with the following provisions. After completion. Tenant shall submit to Landlord for Landlord's approval complete plans and specifications for the construction of the Tenant Work ("***Tenant's Plans***"). Within 10 business days after receipt of Tenant's Plans, Landlord shall review and either approve or disapprove Tenant's Plans. If Landlord disapproves Tenant's Plans, or any portion thereof, Landlord shall notify Tenant thereof and of the revisions Landlord requires before Landlord will approve Tenant's Plans. Within 10 business days after Landlord's notice, Tenant shall submit to Landlord, for Landlord's review and approval, plans and specifications incorporating the required revisions. The final plans and specifications approved by Landlord are hereinafter referred to as the "**Approved Construction Documents**". Tenant will employ experienced, licensed contractors, architects, engineers and other consultants, approved by Landlord, to construct the Tenant Work and will require in the applicable contracts that such parties (a) carry insurance in such amounts and types of coverages as are reasonably required by Landlord, and (b) design and construct the Tenant Work in a good and workmanlike manner and in compliance with all laws. Unless otherwise agreed to in writing by Landlord and Tenant, all work involved in the construction and installation of the Tenant Work shall be carried out by Tenant's contractor under the sole direction of Tenant, in compliance with all Building rules and regulations and in such a manner so as not to unreasonably interfere with or disturb the operations, business, use and enjoyment of the Project by other tenants in the Building or the structural calculations for imposed loads. Tenant shall obtain from its contractors and provide to Landlord a list of all subcontractors providing labor or materials in connection with any portion of the Tenant Work prior to commencement of the Tenant Work. Tenant warrants that the design, construction and installation of the Tenant Work shall conform to the requirements of all applicable laws, including building, plumbing and electrical codes and parameters, and the requirements of any authority having jurisdiction over, or with respect to, such Tenant Work.

2. **Costs**. Subject to the terms and conditions of this **Section 2**. Landlord will provide Tenant with an allowance (the "Reimbursement Allowance") to be applied towards the cost of constructing the Tenant Work.

(A) Landlord's obligation to reimburse Tenant for Tenant's construction of the Tenant Work shall be: (i) limited to actual costs incurred by Tenant in its construction of the Tenant Work; (ii) limited to an amount up to, but not exceeding, $3.00 multiplied by the rentable square footage of the Premises; and (iii) conditioned upon Landlord's receipt of written notice (which notice shall be accompanied by invoices and documentation set forth below) from Tenant that the Tenant Work has been completed and accepted by Tenant. The cost of (a) all space planning, design, consulting or review services and construction drawings, (b) extension of electrical wiring from Landlord's designated location(s) to the Premises, (c) purchasing and installing all building equipment for the Premises (including any submitters and other above building standard electrical equipment approved by Landlord), (d) required metering, re- circuiting or re-wiring for metering, equipment rental, engineering design services, consulting services, studies, construction services, cost of billing and collections, (e) materials and labor, and (f) an asbestos survey of the Premises if required by applicable law. shall all be included in the cost of the Tenant Work and may be paid out of the Reimbursement Allowance, to the extent sufficient funds are available for such purpose. Any reimbursement obligation of Landlord under this Work Letter shall be applied solely to the purposes specified above, as allocated, within 365 days after the Effective Date or be forfeited with no further obligation on the part of Landlord.

(B) Landlord shall pay the Reimbursement Allowance to Tenant within 45 days following Landlord's receipt of (i) third-party invoices for costs incurred by Tenant in constructing the Tenant Work; (ii)

---

evidence that Tenant has paid the invoices for such costs; and (iii) final lien waivers from any contractor or supplier who has constructed or supplied materials for the Tenant Work. If the costs incurred by Tenant in constructing the Tenant Work exceed the Reimbursement Allowance, then Tenant shall pay all such excess costs and Tenant agrees to keep the Premises and the Project free from any liens arising out of the non-payment of such costs.

(C) All installations and improvements now or hereafter placed in the Premises other than building standard improvements shall be for Tenant's account and at Tenant's cost. Tenant shall pay ad valorem taxes and increased insurance thereon or attributable thereto, which cost shall be payable by Tenant to Landlord as additional Rent within 30 days after receipt of an invoice therefor. Tenant's failure to pay such cost shall constitute an event of default under the Lease.

3. **ADA Compliance**. Tenant shall, at its expense, be responsible for ADA compliance in the Premises, including restrooms on any floor now or hereafter leased or occupied in its entirety by Tenant, its affiliates or transferees. Landlord shall not be responsible for determining whether Tenant is a public accommodation under ADA or whether the Approved Construction Documents comply with ADA requirements. Such determinations, if desired by Tenant, shall be the sole responsibility of Tenant. Landlord's approval of the Approved Construction Documents shall not be deemed a statement of compliance with applicable Laws, nor of the accuracy, adequacy, appropriateness, functionality or quality of the improvements to be made according to the Approved Construction Documents.

4. **Landlord's Oversight and Coordination**. Construction of the Tenant Work shall be subject to oversight and coordination by Landlord, but such oversight and coordination shall not subject Landlord to any liability to Tenant. Tenant's contractors or any other person. Landlord has the right to inspect construction of the Tenant Work from time to time.

5. **Assumption of Risk and Waiver**. Tenant hereby assumes any and all risks involved with respect to the Tenant Work and hereby releases and discharges all Landlord parties from any and all liability or loss, damage or injury suffered or incurred by Tenant or third parties in any way arising out of or in connection with the Tenant Work.

FOURTH AMENDMENT TO LEASE AGREEMENT

THIS FOURTH AMENDMENT TO LEASE AGREEMENT (this "***Amendment***") is entered into between **DURHAM KTP TECH 4, LLC**, a Delaware limited liability company ("***Landlord***"), and **LIQUIDIA TECHNOLOGIES, INC**., a Delaware corporation ("***Tenant***"), with reference to the following:

A. GRE Keystone Technology Park One LLC (predecessor-in-interest to Landlord) ("GRE") and Tenant entered into that certain Lease Agreement dated June 29, 2007, as amended by that certain Lease Modification Agreement No. 1 dated January 12, 2009, that certain Lease Modification

Agreement No. 2 dated December 17, 2010, and that certain Third Amendment to Lease Agreement dated June 25, 2014 (as amended, the "Lease"), covering approximately 36,831 rentable square feet known as Suite 100 on the first floor (the "Premises") of Keystone Technology Park Building IV, 419 Davis Drive, Durham, North Carolina (the "Building").

B. GRE assigned its interest in the Lease to LCFRE Keystone Technology Park, L.P, which subsequently assigned its interest in the Lease to Landlord.

C. Landlord and Tenant now desire to further amend the Lease as set forth below. Unless otherwise expressly provided in this Amendment, capitalized terms used in this Amendment shall have the same meanings as in the Lease.

FOR GOOD AND VALUABLE CONSIDERATION, the receipt and sufficiency of which are acknowledged, the parties agree as follows:

1. **Second Extension Period**. The Term of the Lease is extended for a period of approximately 60 months (the "**Second Extension Period**") commencing on November 1, 2017, and expiring on October 31, 2022. Tenant acknowledges that it has no remaining options to extend the Term under the Lease except as provided in Section 5 below. All other renewal rights and options are hereby deleted and of no further force or effect.

2. **Base Rent**. Commencing on November 1, 2017 and continuing through the Second Extension Period, Tenant shall, at the time and in the manner provided in the Lease, pay to Landlord as Base Rent the amounts set forth in the following rent schedule, plus any applicable tax thereon:

FROM	THROUGH	RATE	ANNUAL BASE RENT
November 1, 2017	October 31, 2018	$ 15.25	$ 561,672.72
November 1, 2018	October 31, 2019	$ 15.71	$ 578,615.04
November 1, 2019	October 31,2020	$ 16.18	$ 595,925.64
November 1, 2020	October 31, 2021	$ 16.66	$ 613,604.52
November 1, 2021	October 31, 2022	$ 17.16	$ 632,019.96

3. **Additional Rent**. Tenant shall continue to pay Tenant's Proportionate Share of Expenses as set forth in **Section 4** of the Lease.

4. **Condition of Premises**. Tenant accepts the Premises in its "as-is" condition AND CONFIGURATION, AND WITHOUT ANY REPRESENTATIONS OR WARRANTIES OF ANY KIND, EXPRESS OR IMPLIED, BY LANDLORD REGARDING THE PREMISES AND THE BUILDING. TENANT HEREBY AGREES THAT THE PREMISES ARE IN GOOD ORDER AND SATISFACTORY CONDITION. However, any necessary construction of leasehold improvements shall be accomplished and the cost of such construction shall be paid in accordance with the "Work Letter" between Landlord and Tenant attached to this Amendment as Exhibit A.

5. **Option Term.**

(a) **Option Right**. Landlord hereby grants to the originally named Tenant herein ("***Original Tenant***") one (1) option to extend the Lease Term for a period of five (5) years (the "***Option Term***"), which option shall be irrevocably exercised only by written notice delivered by Tenant to Landlord not more than fifteen (15) months nor

---

less than twelve (12) months prior to the expiration of the Second Extension Period, provided that the following conditions (the "***Option Conditions***") are satisfied: (i) as of the date of delivery of such notice, Tenant is not in default under the Lease, after the expiration of any applicable notice and cure period; (ii) as of the end of the Second Extension Period, Tenant is not in default under the Lease, after the expiration of any applicable notice and cure period; (iii) Tenant has not previously been in default under the Lease, after the expiration of any applicable notice and cure period, more than twice; and (iv) the Lease then remains in full force and effect and Original Tenant or an Affiliate (as such term is defined in the Lease) with a net worth equal to or greater than that of Original Tenant occupies the entire Premises at the time the option to extend is exercised and as of the commencement of the Option Term. Landlord may, at Landlord's option, exercised in Landlord's sole and absolute discretion, waive any of the Option Conditions in which case the option, if otherwise properly exercised by Tenant, shall remain in full force and effect. Upon the proper exercise of such option to extend, and provided that Tenant satisfies all of the Option Conditions (except those, if any, which are waived by Landlord), the Lease Term, as it applies to the Premises, shall be extended for a period of five (5) years. The rights contained in this Section 5 shall be personal to Original Tenant, and may be exercised by Original Tenant (and not by any assignee, sublessee or other transferee of Tenant's interest in the Lease).

(b) **Option Rent**. The annual Rent payable by Tenant during the Option Term (the "***Option Rent***") shall be equal to the "Fair Rental Value," as that term is defined below, for the Premises as of the commencement date of the Option Term. The "***Fair Rental Value***" as used in this Section 5, shall be equal to the annual rent per rentable square foot (including additional rent and considering any "base year" or "expense stop" applicable thereto), including all escalations, at which tenants (pursuant to leases consummated within the twelve (12) month period preceding the first day of the Option Term), are leasing non-sublease, non-encumbered, non-equity space which is not significantly greater or smaller in size than the subject space, for a comparable lease term, in an arm's length transaction, which comparable space is located in the "Comparable Buildings," as that term is defined in this Section 5, below (transactions satisfying the foregoing criteria shall be known as the "***Comparable Transactions***"), taking into consideration the following concessions (the "***Concessions***")', (a) rental abatement concessions, if any, being granted such tenants in connection with such comparable space; (b) tenant improvements or allowances provided or to be provided for such comparable space, and taking into account the value, if any, of the existing improvements in the subject space, such value to be based upon the age, condition, design, quality of finishes and layout of the improvements and the extent to which the same can be utilized by a general office user other than Tenant; and (c) other reasonable monetary concessions being granted such tenants in connection with such comparable space; provided, however, that in calculating the Fair Rental Value, no consideration shall be given to (i) the fact that Landlord is or is not required to pay a real estate brokerage commission in connection with Tenant's exercise of its right to extend the Lease Term, or the fact that landlords are or are not paying real estate brokerage commissions in connection with such comparable space, and (ii) any period of rental abatement, if any, granted to tenants in comparable transactions in connection with the design, permitting and construction of tenant improvements in such comparable spaces. The Concessions (A) shall be reflected in the effective rental rate (which effective rental rate shall take into consideration the total dollar value of such Concessions as amortized on a straight-line basis over the applicable term of the Comparable Transaction (in which case such Concessions evidenced in the effective rental rate shall not be granted to Tenant)) payable by Tenant, or (B) at Landlord's election, all such Concessions shall be granted to Tenant in kind. The term "***Comparable Buildings***" shall mean the Building and those other class A life sciences buildings which are comparable to the Building in terms of age (based upon the date

of completion of construction or major renovation of to the building), quality of construction, level of services and amenities, size and appearance, and are located in Durham, North Carolina and the surrounding commercial area.

(c) **Determination of Option Rent**. In the event Tenant timely and appropriately exercises an option to extend the Lease Term, Landlord shall notify Tenant of Landlord's determination of the Option Rent on or before the Lease Expiration Date. If Tenant, on or before the date which is ten (10) days following the date upon which Tenant receives Landlord's determination of the Option Rent, in good faith objects to Landlord's determination of the Option Rent, then Landlord and Tenant shall attempt to agree upon the Option Rent using their best good-faith efforts. If Landlord and Tenant fail to reach agreement within ten (10) days following Tenant's objection to the Option Rent (the "***Outside Agreement Date***"), then each party shall make a separate determination of the Option Rent, as the case may be, within five (5) days, and such determinations shall be submitted to arbitration in accordance with the provisions below. If Tenant fails to object to Landlord's determination of the Option Rent

---

within the time period set forth herein, then Tenant shall be deemed to have objected to Landlord's determination of Option Rent.

(i) Landlord and Tenant shall each appoint one arbitrator who shall be, at the option of the appointing party, a real estate broker, appraiser or attorney who shall have been active over the five (5) year period ending on the date of such appointment in the leasing or appraisal, as the case may be, of other class A life sciences buildings located in the Durham, North Carolina market area. The determination of the arbitrators shall be limited solely to the issue of whether Landlord's or Tenant's submitted Option Rent is the closest to the actual Option Rent, taking into account the requirements above, as determined by the arbitrators. Each such arbitrator shall be appointed within fifteen (15) days after the Outside Agreement Date. Landlord and Tenant may consult with their selected arbitrators prior to appointment and may select an arbitrator who is favorable to their respective positions. The arbitrators so selected by Landlord and Tenant shall be deemed "***Advocate Arbitrators***."

(ii) The two (2) Advocate Arbitrators so appointed shall be specifically required pursuant to an engagement letter within ten (10) days of the date of the appointment of the last appointed Advocate Arbitrator to agree upon and appoint a third arbitrator ("***Neutral Arbitrator***") who shall be qualified under the same criteria set forth hereinabove for qualification of the two Advocate Arbitrators, except that neither the Landlord or Tenant or either parties' Advocate Arbitrator may, directly or indirectly, consult with the Neutral Arbitrator prior or subsequent to his or her appearance. The Neutral Arbitrator shall be retained via an engagement letter jointly prepared by Landlord's counsel and Tenant's counsel.

(iii) The three arbitrators shall, within thirty (30) days of the appointment of the Neutral Arbitrator, reach a decision as to whether the parties shall use Landlord's or Tenant's submitted Option Rent, and shall notify Landlord and Tenant thereof.

(iv) The decision of the majority of the three arbitrators shall be binding upon Landlord and Tenant.

(v) If either Landlord or Tenant fails to appoint an Advocate Arbitrator within fifteen (15) days after the Outside Agreement Date, then either party may petition the presiding judge of the Superior Court of Durham County to appoint such Advocate Arbitrator subject to the criteria above, or if he or she refuses to act, either party may petition any judge having jurisdiction over the parties to appoint such Advocate Arbitrator.

(vi) If the two (2) Advocate Arbitrators fail to agree upon and appoint the Neutral Arbitrator, then either party may petition the presiding judge of the Superior Court of Durham County to appoint the Neutral Arbitrator, subject to criteria above, or if he or she refuses to act, either party may petition any judge having jurisdiction over the parties to appoint such arbitrator.

(vii) The cost of the arbitration shall be paid by Landlord and Tenant equally.

(viii) In the event that the Option Rent shall not have been determined pursuant to the terms hereof prior to the commencement of the Option Term, Tenant shall be required to pay the Option Rent initially provided by Landlord to Tenant, and upon the final determination of the Option Rent, the payments made by Tenant shall be reconciled with the actual amounts of Option Rent due, and the appropriate party shall make any corresponding payment to the other party,

6. **Broker**. Each party represents and warrants to the other that it has not been represented by any broker or agent in connection with the execution of this Amendment, other than Thalhimer Raleigh LLC as Landlord's agent, and Thalhimer Raleigh LLC, as Tenant's agent Each party shall indemnify the other and their respective partners, members, affiliates and subsidiaries, and all of their respective officers, directors, shareholders, employees, servants, partners, members, representatives, insurers and agents from and against all claims (including costs of defense and investigation) relating to its breach of the foregoing representation.

7. **OFAC List Representation**. Tenant hereby represents and warrants to Landlord that neither Tenant nor, to its knowledge, any of its officers, directors, shareholders, partners, members or affiliates is or will be an entity or

---

person: (a) that is listed in the annex to, or is otherwise subject to the provisions of, Executive Order 13224 issued on September 24, 2001 ("***EO 13224***"); (b) whose name appears on the United States Treasury Department's Office of Foreign Assets Control ("***OFAC***") most current list of "Specifically Designated National and Blocked Persons" (which list may be published from time to time in various mediums including, but not limited to, the OFAC website, http:www.treas.gov/ofac/tllsdn.pdf); (c) who commits, threatens to commit or supports "terrorism," as that term is defined in EO 13224; or (d) who is otherwise affiliated with any entity or person listed above.

8. **Miscellaneous**. This Amendment shall become effective only upon full execution and delivery of this Amendment by Landlord and Tenant. This Amendment contains the parties' entire agreement regarding the subject matter covered by this Amendment, and supersedes all prior correspondence, negotiations, and agreements, if any, whether oral or written, between the parties concerning such subject matter. There are no contemporaneous oral agreements, and there are no representations or warranties between the parties not contained in this Amendment. Except as modified by this Amendment, the terms and provisions of the Lease shall remain in full force and effect, and the Lease, as modified by this Amendment, shall be binding upon and shall inure to the benefit of the parties hereto, their successors and permitted assigns. This Amendment may be executed in one or more counterparts, including by facsimile or electronic copy.

[***Signatures to follow***]

LANDLORD AND TENANT enter into this Amendment as of the Effective Date specified below Landlord's signature.

LANDLORD:

DURHAM KTP TECH 4, LLC,
a Delaware limited liability company

By: /s/ Jamison N. Peschel
Name: Jamison N. Peschel
Title: Authorized Signatory

Effective Date: Nov. 17,2015

TENANT:

LIQUIDIA TECHNOLOGIES, INC.,
a Delaware corporation

By: /s/ Timothy Albury
Name: Timothy Albury
Title: CFO

EXHIBIT A

TENANT WORK LETTER

This Tenant Work Letter is attached as an Exhibit to that certain Fourth Amendment to Lease Agreement (the "*Amendment*") between DURHAM KTP TECH 4, LLC, as Landlord, and LIQUIDIA TECHNOLOGIES, INC., as Tenant, that amends that certain Lease Agreement dated June 29, 2007 (as amended, the "*Lease*") and relating to the lease by Landlord to Tenant of that certain Premises. Unless otherwise specified, all capitalized terms used in this Work Letter shall have the same meanings as in the Lease as amended by the Amendment.

1. Construction. Tenant agrees to construct leasehold improvements (the "*Tenant Work*") in a good and workmanlike manner in and upon the Premises, at Tenant's sole cost and expense, in accordance with the following provisions. Prior to construction, Tenant shall submit to Landlord for Landlord's approval complete plans and specifications for the construction of the Tenant Work ("*Tenant's Plans*"). Within 10 business days after receipt of Tenant's Plans, Landlord shall review and either approve or disapprove Tenant's Plans. If Landlord disapproves Tenant's Plans, or any portion thereof, Landlord shall notify Tenant thereof and of the revisions Landlord requires before Landlord will approve Tenant's Plans. Within 10 business days after Landlord's notice, Tenant shall submit to Landlord, for Landlord's review and approval, plans and specifications incorporating the required revisions. The final plans and specifications approved by Landlord are hereinafter referred to as the "*Approved Construction Documents*". Tenant will employ experienced, licensed contractors, architects, engineers and other consultants, approved by Landlord, to construct the Tenant Work and will require in the applicable contracts that such parties (a) carry insurance in such amounts and types of coverages as are reasonably required by Landlord, (b) list the Landlord and its partners as additional insureds, and (c) design and construct the Tenant Work in a good and workmanlike manner and in compliance with all laws. Unless otherwise agreed to in writing by Landlord and Tenant, all work involved in the construction and installation of the Tenant Work shall be carried out by Tenant's contractor under the sole direction of Tenant, in compliance with all Building rules and regulations and in such a manner so as not to unreasonably interfere with or disturb the operations, business, use and enjoyment of the Project by other tenants in the Building or the structural calculations for imposed loads. Tenant shall obtain from its contractors and provide to Landlord a list of all subcontractors providing labor or materials in connection with any portion of the Tenant Work prior to commencement of the Tenant Work. Tenant warrants that the design, construction and installation of the Tenant Work shall conform to the requirements of all applicable laws, including building, plumbing and electrical codes and parameters, and the requirements of any authority having jurisdiction over, or with respect to, such Tenant Work.

2. Costs. Subject to the terms and conditions of this Section 2, Landlord will provide Tenant with an allowance (the "*Reimbursement Allowance*") to be applied towards the cost of constructing the Tenant Work.

(A) Landlord's obligation to reimburse Tenant for Tenant's construction of the Tenant Work shall be: (i) limited to actual costs incurred by Tenant in its construction of the Tenant Work; (ii) limited to an amount up to, but not exceeding, $10.00 multiplied by the rentable square footage of the Premises; and (iii) conditioned upon Landlord's receipt of written notice (which notice shall be accompanied by invoices and documentation set forth below) from Tenant that the Tenant Work has been completed and accepted by Tenant. The cost of (a) all space planning, design, consulting or review services and construction drawings, (b) extension of electrical wiring from Landlord's designated location(s) to the Premises, (c) purchasing and installing all building equipment for the Premises (including any submeters and other above building standard electrical equipment approved by Landlord), (d) required metering, re-circuiting or re-wiring for metering, equipment rental, engineering design services, consulting services, studies, construction services, cost of billing and collections, (e) materials and labor, (f) a 1% project management fee as outlined below in Section 4, payable to Landlord or its affiliates on total construction costs, and (g) an asbestos survey of the Premises if required by applicable law, shall all be included in the cost of the Tenant Work and may be paid out of the Reimbursement Allowance, to the extent sufficient funds are available for such purpose. Any reimbursement obligation of Landlord under this Work Letter

shall be applied solely to the purposes specified above, as allocated, within 365 days after the Effective Date or be forfeited with no further obligation on the part of Landlord.

(B) Landlord shall pay the Reimbursement Allowance to Tenant within 45 days following Landlord's receipt of (i) third-party invoices for costs incurred by Tenant in constructing the Tenant Work; (ii) evidence that Tenant has paid

---

the invoices for such costs; and (iii) final lien waivers from any contractor or supplier who has constructed or supplied materials for the Tenant Work. If the costs incurred by Tenant in constructing the Tenant Work exceed the Reimbursement Allowance, then Tenant shall pay all such excess costs and Tenant agrees to keep the Premises and the Project free from any liens arising out of the non-payment of such costs,

(C) All installations and improvements now or hereafter placed in the Premises other than building standard improvements shall be for Tenant's account and at Tenant's cost. Tenant shall pay ad valorem taxes and increased insurance thereon or attributable thereto, which cost shall be payable by Tenant to Landlord as additional Rent within 30 days after receipt of an invoice therefor. Tenant's failure to pay such cost shall constitute an event of default under the Lease.

3. ADA Compliance. Landlord shall not be responsible for determining whether Tenant is a public accommodation under ADA or whether the Approved Construction Documents comply with ADA requirements. Such determinations, if desired by Tenant, shall be the sole responsibility of Tenant. Landlord's approval of the Approved Construction Documents shall not be deemed a statement of compliance with applicable Laws, nor of the accuracy, adequacy, appropriateness, functionality or quality of the improvements to be made according to the Approved Construction Documents.

4. Landlord's Oversight and Coordination. Construction of the Tenant Work shall be subject to oversight and coordination by Landlord, but such oversight and coordination shall not subject Landlord to any liability to Tenant, Tenant's contractors or any other person. Landlord has the right to inspect construction of the Tenant Work from time to time. A 1% project management fee shall be payable to Landlord or its affiliates by Tenant on total construction costs which amount Landlord may pay from the available Reimbursement Allowance.

5. Assumption of Risk and Waiver. Tenant hereby assumes any and all risks involved with respect to the Tenant Work and hereby releases and discharges all Landlord parties from any and all liability or loss, damage or injury suffered or incurred by Tenant or third parties in any way arising out of or in connection with the Tenant Work.

FIFTH AMENDMENT TO LEASE AGREEMENT

TIDS FIFTH AMENDMENT TO LEASE AGREEMENT (this ***"Amendment")*** is entered into between **DURHAM KTP TECH 4, LLC,** a Delaware limited liability company ***("Landlord'),*** and **LIQUIDIA TECHNOLOGIES, INC.,** a Delaware corporation ***("Tenant'),*** with reference to the following:

A. GRE Keystone Technology Park One LLC (predecessor-in-interest to Landlord) ***("GRE")*** and Tenant entered into that certain Lease Agreement dated June 29, 2007, as amended by that certain Lease Modification Agreement No. I dated January 12, 2009, that certain Lease Modification Agreement No. 2 dated December 17, 2010, that certain Third Amendment to Lease Agreement dated June 25, 2014, and that certain Fourth Amendment to Lease Agreement dated November 17, 2015 (collectively, the ***"Lease"),*** covering approximately 36,831 rentable square feet known as Suite 100 on the first floor (the ***"Premises")*** of Keystone Technology Park Building IV, 419 Davis Drive, Durham, North Carolina (the ***"Building").***

B. GRE assigned its interest in the Lease to LCFRE Keystone Technology Park, L.P. which subsequently assigned its interest in the Lease to Landlord.

C. Landlord and Tenant now desire to further amend the Lease as set forth below. Unless otherwise expressly provided in this Amendment, capitalized terms used in this Amendment shall have the same meanings as in the Lease.

FOR GOOD AND VALUABLE CONSIDERATION, the receipt and sufficiency of which are acknowledged, the parties agree as follows:

1. **Second Extension Period.** Under the Fourth Amendment the parties had agreed to extend the Term of the Lease until October 31, 2022. The parties now agree to a further extension of the Term as stated herein. The "Second Extension Period" as defined in the Fourth Amendment is hereby redefined to be a period of approximately 108 months (the ***"Second Extension Period)*** commencing on November 1, 2017, and expiring on October 31, 2026. Tenant acknowledges that it has no remaining options to extend the Term under the Lease except as provided in Section 5 of the Fourth Amendment. All other renewal rights and options are hereby deleted and of no further force or effect.

2. **Base Rent.** The Base Rent table in the Fourth Amendment is hereby deleted for all purposes. Commencing on November 1, 2017 and continuing through the Second Extension Period, Tenant shall, at the time and in the manner provided in the Lease, pay to Landlord as Base Rent the amounts set forth in the following rent schedule, plus any applicable tax thereon:

FROM	THROUGH	RATE	MONTHLY BASE RENT	ANNUAL BASE RENT
November 1, 2017	October 31, 2018	$ 24.25	$ 74,429.31	$ 893,151.72
November 1, 2018	October 31, 2019	$ 24.98	$ 76,669.87	$ 920,038.44
November 1, 2019	October 31, 2020	$ 25.73	$ 78,971.80	$ 947,661.60
November 1, 2020	October 31, 2021	$ 26.50	$ 81,335.13	$ 976,021.56
November 1, 2021	October 31, 2022	$ 27.29	$ 83,759.83	$ 1,005,117.96
November 1, 2022	October 31, 2023	$ 28.11	$ 86,276.62	$ 1,035,319.44
November 1, 2023	October 31, 2024	$ 28.96	$ 88,885.48	$ 1,066,625.76
November I, 2024	October 31, 2025	$ 29.82	$ 91,525.04	$ 1,098,300.48
November I, 2025	October 31, 2026	$ 30.72	$ 94,287.36	$ 1,131,448.32

---

3. **Additional Rent.** Tenant shall continue to pay Tenant's Proportionate Share of Expenses as set forth in **Section 4** of the Lease.

4. **Condition of Premises. TENANT ACCEPTS THE PREMISES IN ITS "AS-IS" CONDITION AND CONFIGURATION, AND WITHOUT ANY REPRESENTATIONS OR WARRANTIES OF ANY KIND, EXPRESS OR IMPLIED, BY LANDLORD REGARDING THE PREMISES AND THE BUILDING. TENANT HEREBY AGREES THAT THE PREMISES ARE IN GOOD ORDER AND SATISFACTORY CONDITION.** However, any necessary construction of leasehold improvements shall be accomplished and the cost of such construction shall be paid in accordance with the "Work Letter" between Landlord and Tenant attached to this Amendment as Exhibit A.

5. **Additional Security Deposit.** Within ten (I 0) days after the Fina1 Financing Date, as defined below, so long as this Amendment is not terminated in accordance with Section 6 below Tenant shall post an additional $261,717.24 (the ***"Supplemental Security Deposit')*** to the already existing Security Deposit of $36,000 under the Lease and the total Security Deposit shall be equal to $297,717.24 So long as Tenant is not in default under the Lease beyond applicable notice and cure periods, the Security Deposit shall be reduced by $74,429.31 on the date Tenant completes the initial public offering for the stock of Tenant and provides proof of such completed transaction to Landlord (the ***"IPO Date")***. Additionally, so long as Tenant is not in default under the Lease beyond applicable notice and cure periods, the Security Deposit shall be reduced by an additional $74,429.31 on the date which is three (3) years after the IPO Date so long as Tenant's financial position is equal to or greater than Tenant's financial position as of the IPO Date. For clarity, in both instances above with respect to Security Deposit reduction, Landlord shall return the said amounts to Tenant within thirty (30) days of Tenant providing Landlord with sufficient written notice of satisfaction of said condition.

Landlord shall not be required to fund any portion of the Reimbursement Allowance, as defined in Exhibit A, until Tenant has posted the Supplemental Security Deposit with Landlord.

6. **Contingency.** This Amendment is contingent upon Tenant's receipt of financing from its Bridge financing (the ***"Financing").*** In the event Tenant does not finalize the Financing on or before January 31, 2017 (the ***"Final Financing Date")*** then either Tenant or Landlord may terminate this Amendment upon written notice to Landlord which notice must be given to the other party on or before February 10, 2017. If neither party provides such notice by the required date this Amendment shall continue in full force and effect and this Section 6 shall be deemed deleted from this Amendment. In addition to any other limitations on funding the Reimbursement Allowance, Landlord shall not be required to provide any of the Reimbursement Allowance to Tenant until Tenant obtains the Financing or until this Section 6 is deemed deleted from this Amendment.

7. **Broker.** Each party represents and warrants to the other that it has not been represented by any broker or agent in connection with the execution of this Amendment, other than Longfellow Brokerage Services NC, LLC as Landlord's agent, and Foundry Commercial, as Tenant's agent Each party shall indemnify the other and their respective partners, members, affiliates and subsidiaries, and all of their respective officers, directors, shareholders, employees, servants, partners, members, representatives, insurers and agents from and against all claims

---

(including costs of defense and investigation) relating to its breach of the foregoing representation.

8. **OFAC List Representation.** Tenant hereby represents and warrants to Landlord that neither Tenant nor, to its knowledge, any of its officers, directors, shareholders, partners, members or affiliates is or will be an entity or person: (a) that is listed **in** the annex to, or is otherwise subject to tbe provisions of, Executive Order 13224 issued on September 24, 2001 ***("EO 13224");*** (b) whose name appears on the United States Treasury Department's Office of Foreign Assets Control ***("OFAC')*** most current list of "Specifically Designated National and Blocked Persons" (which list may be published from time to time in various mediums including, but not limited to, the OFAC website, http:www.treas.gov/ofac/tllsdn.pdf); (c) who commits, threatens to commit or supports "terrorism," as that term is defined in EO 13224; or (d) who is otherwise affiliated with any entity or person listed above.

9. **Miscellaneous.** This Amendment shall become effective only upon full execution and delivery of this Amendment by Landlord and Tenant. This Amendment contains the parties' entire agreement regarding the subject matter covered by this Amendment, and supersedes all prior correspondence, negotiations, and agreements, if any, whether oral or written, between the parties concerning such subject matter. There are no contemporaneous oral agreements, and there are no representations or warranties between the parties not contained in this Amendment. Except as modified by this Amendment, the terms and provisions of the Lease shall remain in full force and effect, and the Lease, as modified by this Amendment, shall be binding upon and shall inure to the benefit of the parties hereto, their successors and permitted assigns. This Amendment may be executed in one or more counterparts, including by facsimile or electronic copy.

[Signatures to follow]

LANDLORD AND TENANT enter into this Amendment as of the Effective Date specified below Landlord's signature.

LANDLORD:

DURHAM KTP TECH 7, LLC,
a Delaware limited liability company

By: /s/ Jamison N. Peschel
Name: Jamison N. Peschel
Title: Authorized Signatory
Effective Date: June 9, 2017

TENANT:

LIQUIDIA TECHNOLOGIES, INC.,
a Delaware corporation

By: /s/ Shawn Glidden
Name: Shawn Glidden
Title: VP Legal Affairs and Secretary
Effective Date: June 9, 2017

EXHIBIT A

TENANT WORK LETTER

This Tenant Work Letter is attached as an Exhibit to that certain Fifth Amendment to Lease Agreement (the *"Amendment"?* between DURHAM KTP TECH 4, LLC, as Landlord, and LIQUIDIA TECHNOLOGIES, INC., as Tenant, that amends that certain Lease Agreement dated June 29, 2007 (as amended, the *"Lease"?* and relating to the lease by Landlord to Tenant of that certain Premises. Unless otherwise specified, all capitalized terms used in this Work Letter shall have the same meanings as in the Lease as amended by the Amendment.

1. Construction. Tenant agrees to construct leasehold improvements (the *"Tenant Work")* in a good and workmanlike manner in and upon the Premises, at Tenant's sole cost and expense, in accordance with the following provisions. Prior to construction, Tenant shall submit to Landlord for Landlord's approval complete plans and specifications for the construction of the Tenant Work *("Tenant's Plans").* Within 10 business days after receipt of Tenant's Plans, Landlord shall review and either approve or disapprove Tenant's Plans. If Landlord disapproves Tenant's Plans, or any portion thereof, Landlord shall notify Tenant thereof and of the revisions Landlord requires before Landlord will approve Tenant's Plans. Within 10 business days after Landlord's notice, Tenant shall submit to Landlord, for Landlord 's review and approval, plans and specifications incorporating the required revisions. The final plans and specifications approved by Landlord are hereinafter referred to as the *"Approved Construction Documents".* Tenant will employ experienced, licensed contractors, architects, engineers and other consultants, approved by Landlord, to construct the Tenant Work and will require in the applicable contracts that such parties (a) carry insurance in such amounts and types of coverages as are reasonably required by Landlord, (b) list the Landlord and its partners as additional insureds, and (c) design and construct the Tenant Work in a good and workmanlike manner and in compliance with all laws. Unless otherwise agreed to in writing by Landlord and Tenant, all work involved in the construction and installation of the Tenant Work shall be carried out by Tenant's contractor under the sole direction of Tenant, in compliance with all Building rules and regulations and in such a manner so as not to unreasonably interfere with or disturb the operations, business, use and enjoyment of the Project by other tenants in the Building or the structural calculations for imposed loads. Tenant shall obtain from its contractors and provide to Landlord a list of all subcontractors providing labor or materials in connection with any portion of the Tenant Work prior to commencement of the Tenant Work. Tenant warrants that the design, construction and installation of the Tenant Work shall conform to the requirements of all applicable laws, including building, plumbing and electrical codes and parameters, and the requirements of any authority having jurisdiction over, or with respect to, such Tenant Work.

2. Costs. Subject to the terms and conditions of this Section 2, Landlord will provide Tenant with an allowance (the *"Reimbursement Allowance")* to be applied towards the cost of constructing the Tenant Work.

(A) Landlord's obligation to reimburse Tenant for Tenant's construction of the Tenant Work shall be: (i) limited to actual costs incurred by Tenant in its construction of the Tenant Work; (ii) limited to an amount up to, but not exceeding, $54.30 multiplied by the rentable square footage of the Premises (for clarification purposes the amount listed in this subsection ii is in addition to the $10.00 per square foot provided to Tenant under the Fourth Amendment which amount has been fully utilized by Tenant); and

(iii) conditioned upon Landlord's receipt of written notice (which notice shall be accompanied by invoices and documentation set forth below) from Tenant that the Tenant Work has been completed and accepted by Tenant. The cost of (a) all space planning, design, consulting or review services and construction drawings, (b) extension of electrical wiring from Landlord's designated location(s) to the Premises, (c) purchasing and installing all building equipment for the Premises (including any submeters and other above building standard electrical equipment approved by Landlord), (d) required metering, re-circuiting or re-wiring for metering, equipment rental, engineering design services, consulting services, studies,

---

construction services, cost of billing and collections, (e) materials and labor, (f) a 1% project management fee as outlined below in Section 4, payable to Landlord or its affiliates on total construction costs, and (g) an asbestos survey of the Premises if required by applicable law, shall all be included in the cost of the Tenant Work and may be paid out of the Reimbursement Allowance, to the extent sufficient funds are available for such purpose. Any reimbursement obligation of Landlord under this Work Letter shall be applied solely to the purposes specified above, as allocated, within 365 days after the Effective Date or be forfeited with no further obligation on the part of Landlord.

(B) Landlord shall pay the Reimbursement Allowance to Tenant within 45 days following Landlord's receipt of (i) third-party invoices for costs incurred by Tenant in constructing the Tenant Work; (ii) evidence that Tenant has paid the invoices for such costs; and (iii) final lien waivers from any contractor or supplier who has constructed or supplied materials for the Tenant Work. If the costs incurred by Tenant in constructing the Tenant Work exceed the Reimbursement Allowance, then Tenant shall pay all such excess costs and Tenant agrees to keep the Premises and the Project free from any liens arising out of the non-payment of such costs.

(C) All installations and improvements now or hereafter placed in the Premises other than building standard improvements shall be for Tenant's account and at Tenant's cost. Tenant shall pay ad valorem taxes and increased insurance thereon or attributable thereto, which cost shall be payable by Tenant to Landlord as additional Rent within 30 days after receipt of an invoice therefor. Tenant's failure to pay such cost shall constitute an event of default under the Lease.

3. ADA Compliance. Landlord shall not be responsible for determining whether Tenant is a public accommodation under ADA or whether the Approved Construction Documents comply with ADA requirements. Such determinations, if desired by Tenant, shall be the sole responsibility of Tenant. Landlord's approval of the Approved Construction Documents shall not be deemed a statement of compliance with applicable Laws, nor of the accuracy, adequacy, appropriateness, functionality or quality of the improvements to be made according to the Approved Construction Documents.

4. Landlord's Oversight and Coordination. Construction of the Tenant Work shall be subject to oversight and coordination by Landlord, but such oversight and coordination shall not subject Landlord to any liability to Tenant, Tenant's contractors or any other person. Landlord has the right to inspect construction of the Tenant Work from time to time. A one percent (1%) project management fee shall be payable to Landlord or its affiliates by Tenant on total construction costs which amount Landlord may pay from the available Reimbursement Allowance.

5. Assumption of Risk and Waiver. Tenant hereby assumes any and all risks involved with respect to the Tenant Work and hereby releases and discharges all Landlord parties from any and all liability or loss, damage or injury suffered or incurred by Tenant or third parties in any way arising out of or in connection with the Tenant Work.