As filed with the Securities and Exchange Commission on July 28, 2014

Registration No. 333-197193

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

AMENDMENT NO. 2
TO

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

T2 Biosystems, Inc.
(Exact name of registrant as specified in its charter)

Delaware	**8071**	**20-4827488**
(State or other jurisdiction of incorporation or organization)	(Primary Standard Industrial Classification Code Number)	(I.R.S. Employer Identification No.)

101 Hartwell Avenue
Lexington, Massachusetts 02421
(781) 457-1200
(Address, including zip code, and telephone number, including area code, of registrant's principal executive offices)

John McDonough
President and Chief Executive Officer
T2 Biosystems, Inc.
101 Hartwell Avenue
Lexington, Massachusetts 02421
(781) 457-1200
(Name, address, including zip code, and telephone number, including area code, of agent for service)

Copies to:

Johan V. Brigham
Peter N. Handrinos
Latham & Watkins LLP
John Hancock Tower, 20th Floor
200 Clarendon Street
Boston, Massachusetts 02116
(617) 948-6000

Brent B. Siler
Divakar Gupta
Brian F. Leaf
Cooley LLP
1114 Avenue of the Americas
New York, New York 10036
(212) 479-6000

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

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, 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, or a smaller reporting company. See the definitions of "large accelerated filer," "accelerated filer" and "smaller reporting 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

CALCULATION OF REGISTRATION FEE

Title of Each Class of Securities To Be Registered	**Amount to be Registered(1)**	**Proposed Maximum Offering Price Per Share(2)**	**Proposed Maximum Aggregate Offering Price(2)**	**Amount of Registration Fee(3)**
Common Stock, $0.001 par value per share	4,600,000	$17.00	$78,200,000	$10,073.00

(1) Includes 600,000 shares that the underwriters have the option to purchase.

(2) Estimated solely for the purpose of calculating the registration fee pursuant to Rule 457(a) under the Securities Act of 1933, as amended.

(3) Calculated pursuant to Rule 457(a) based on an estimate of the proposed maximum aggregate offering price. $8,887.00 has been previously paid.

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.

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

Subject to Completion. Dated July 28, 2014

4,000,000 Shares

Common Stock

This is an initial public offering of shares of common stock of T2 Biosystems, Inc. All of the 4,000,000 shares of common stock are being sold by us.

Prior to this offering, there has been no public market for our common stock. It is currently estimated that the initial public offering price per share will be between $15.00 and $17.00. Application has been made to list our common stock on The NASDAQ Global Market under the symbol "TTOO".

We are an emerging growth company as that term is used in the Jumpstart Our Business Startups Act of 2012 and, as such, have elected to comply with certain reduced public company reporting requirements for this prospectus and future filings.

See "Risk Factors" beginning on page 11 to read about factors you should consider before buying shares of our common stock.

Neither the Securities and Exchange Commission nor any other regulatory body has approved or disapproved of these securities or passed upon the accuracy or adequacy of this prospectus. Any representation to the contrary is a criminal offense.

	Per Share	Total
Initial public offering price	$	$
Underwriting discount[(1)]	$	$
Proceeds, before expenses, to T2 Biosystems	$	$

(1) See "Underwriting (Conflict of Interest)" beginning on page 142 for additional information regarding underwriting compensation.

The underwriters have an option to purchase a maximum of 600,000 additional shares of common stock from us at the initial public offering price less the underwriting discount.

Certain of our existing stockholders and their affiliated entities, including Aisling Capital and affiliates of Goldman, Sachs & Co., have indicated an interest to purchase up to $17 million in shares of our common stock in this offering at the initial public offering price. However, because indications of interest are not binding agreements or commitments to purchase, any of these existing stockholders may determine to increase or reduce the amount of its indication of interest, or otherwise elect not to purchase any shares. It is also possible that the number of shares, if any, allocated to any investor in the offering may be smaller than the amount of that investor's indication of interest. Any allocation of shares in the offering to these existing stockholders will be made at our direction. The underwriters will receive the same underwriting discount on any shares purchased by these entities as they will on any other shares sold to the public in this offering.

The underwriters expect to deliver the shares against payment in New York, New York on or about , 2014.

Goldman, Sachs & Co. **Morgan Stanley**

Leerink Partners **Janney Montgomery Scott**

Prospectus dated , 2014

T2Biosystems

T2 Magnetic Resonance Technology, or T2MR

A rapid, sensitive and simple diagnostic platform.

Initial Applications of T2MR

Designed to improve patient outcomes and reduce costs to hospitals, all within existing reimbursement codes.

Sepsis

8.75 Million High Risk Patients
Annual market opportunity

Over 1.6 Million Individuals
Diagnosed with sepsis in US each year

Over $20 Billion
In US hospital costs in 2013

50% Mortality Reduction
Potential with rapid therapy

Hemostasis

3 Million Trauma Patients
Annual market opportunity

~ $2 Billion
In potential reduced healthcare costs

50% Mortality Reduction
Potential with rapid therapy

T2 Biosystems currently has research use only and investigational use only product candidates that have not been cleared for marketing by the U.S. Food and Drug Administration.

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

Until , 2014 (25 days after the commencement of this offering), all dealers that buy, sell or trade shares of our common stock, whether or not participating in this offering, may be required to deliver a prospectus. This delivery requirement is in addition to the obligation of dealers to deliver a prospectus when acting as underwriters and with respect to their unsold allotments or subscriptions.

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

PROSPECTUS SUMMARY

This summary highlights information contained elsewhere in this prospectus. This summary does not contain all of the information you should consider before investing in our common stock. You should read this entire prospectus carefully, especially the "Risk Factors" section beginning on page 11 and our financial statements and the related notes appearing at the end of this prospectus, before making an investment decision.

As used in this prospectus, unless the context otherwise requires, references to "we," "us," "our" and "T2 Biosystems" refer to T2 Biosystems, Inc.

Company Overview

We are an *in vitro* diagnostics company that has developed an innovative and proprietary technology platform that offers a rapid, sensitive and simple alternative to existing diagnostic methodologies. We are using our T2 Magnetic Resonance platform, or T2MR, to develop a broad set of applications aimed at lowering mortality rates, improving patient outcomes and reducing the cost of healthcare by helping medical professionals make targeted treatment decisions earlier. T2MR enables rapid detection of pathogens, biomarkers and other abnormalities in a variety of unpurified patient sample types, including whole blood, and can detect cellular targets at limits of detection as low as one colony forming unit per milliliter, or CFU/mL. Our initial development efforts utilizing T2MR target sepsis and hemostasis, which are areas of significant unmet medical need in which existing therapies could be more effective with improved diagnostics.

We have completed a pivotal clinical trial for our T2Dx diagnostic instrument, or T2Dx, and T2Candida panel, or T2Candida, which have the ability to rapidly identify the five clinically relevant species of *Candida*, a fungal pathogen known to cause sepsis. Based on our non-binding communications with the FDA, we believe that the sensitivity and specificity achieved in the clinical trial meet or exceed the requirements for product clearance. Sensitivity is the percent concordance, or the percentage of sample results that agree with a reference, or comparative, method for positive results. Specificity is the percent concordance to a reference method for negative results. On May 27, 2014, we submitted a *de novo* petition to the FDA, requesting an order authorizing us to market T2Dx and T2Candida in the United States. Upon receipt of marketing authorization from the FDA, we intend to commercialize T2Dx and T2Candida and our goal is to launch these product candidates commercially in the United States in the first half of 2015. Our next two diagnostic applications are called T2Bacteria and T2HemoStat, which are focused on bacterial sepsis infections and hemostasis, respectively. We plan to initiate clinical trials in the second half of 2015 for T2Bacteria and in the first half of 2016 for T2HemoStat. We expect that existing reimbursement codes will support our sepsis and hemostasis product candidates, that we will have no need to seek new reimbursement codes, and that the anticipated economic savings associated with our sepsis products will be realized directly by hospitals.

We believe our sepsis product candidates will redefine the standard of care in sepsis management while lowering healthcare costs by improving both the precision and the speed of pathogen detection. According to a study published in the *Journal of Clinical Microbiology* in 2010, targeted therapy for patients with bloodstream infections can be delayed up to 72 hours due to the wait time for blood culture results, leading to the conclusion that "more-rapid identification of the causative organism would be highly desirable to facilitate targeted treatment in the critical phase of septic illness." Our pivotal clinical trial demonstrated that T2Candida can deliver actionable results as fast as three hours, with an average time to result during the trial of 4.2 hours, rather than the two to five days typically required for blood-culture-based diagnostics, which we believe will enable physicians to make treatment decisions and administer targeted treatment to patients on an accelerated basis. We believe that T2Bacteria will also deliver actionable results within these timeframes because this diagnostic panel is designed to run on the same instrument as T2Candida. *Candida* has an average mortality rate of approximately 40%, and according to a study published in

Antimicrobial Agents and Chemotherapy in 2010, this mortality rate can be reduced to 11% with the initiation of targeted therapy within 12 hours of presentation of symptoms. In a study published in the *American Journal of Respiratory and Critical Care Medicine* in 2009, providing targeted antifungal therapy within 24 hours of the presentation of symptoms decreased the length of hospital stay by approximately ten days and decreased the average cost of care by approximately $30,000 per patient.

Target Markets

Sepsis

Sepsis is a leading cause of death in the United States and the most expensive hospital-treated condition. Most commonly afflicting immunocompromised, critical care and elderly patients, sepsis is a severe inflammatory response to a bacterial or fungal infection, with a mortality rate of approximately 30%. Sepsis is typically caused by one or more of five fungal *Candida* species or over 25 bacterial pathogens, and effective treatment of sepsis requires the early detection and identification of these specific target pathogens. Today, sepsis is typically diagnosed through a series of blood cultures followed by post-blood culture species identification. This method has substantial diagnostic limitations that lead to a delay of up to several days in administration of targeted treatment as well as the incurrence of unnecessary hospital expense.

Hemostasis

Another significant unmet clinical need which we believe can be addressed by T2MR is the diagnosis and management of impaired hemostasis, which is a potentially life-threatening condition in which a patient is unable to promote the formation of blood clots to stabilize excessive bleeding. For critical trauma patients with impaired hemostasis, diagnostic results are typically required in fewer than 30 minutes to aid clinicians in making the most effective treatment decisions. The need for rapid diagnosis is not met by current diagnostic methods, which typically involve multiple instruments and can take hours to process a patient specimen. As a result, physicians often make critical decisions for treatment of impaired hemostasis with limited or no diagnostic data.

Market Opportunity

We believe our combined initial annual addressable market opportunity for sepsis and hemostasis is over $3 billion in the United States alone, when the market opportunity for T2Candida, T2Bacteria and our initial hemostasis diagnostic panel is combined. Within the sepsis market in the United States, we estimate that there are approximately 6.75 million critical care and immunocompromised patients who present with symptoms and are at high risk for a bloodstream infection caused by *Candida* and would be appropriate to be tested by our T2Candida panel. These patients, along with approximately two million additional patients who receive treatment in the emergency room setting, are also highly susceptible to bacterial infections, for a total of approximately 8.75 million patients who are at high risk for bacterial-related sepsis and would be appropriate to be tested by our T2Bacteria panel. Within the hemostasis market, for trauma alone, there are over three million patients in the United States annually who present with symptoms of impaired hemostasis. These patients often require rapid and frequent hemostasis assessments to determine the presence and severity of abnormal coagulation, or blood clotting. As a result, the typical patient is tested at least three times during a hospital visit, which we estimate results in at least nine million diagnostic tests annually.

We surveyed 111 decision-makers involved with laboratory purchasing, including laboratory directors, hospital administrators and infectious disease physicians, in a web-based survey to seek their views on acceptable pricing for T2Candida in exchange for an honorarium. Based on the survey, we believe that with 90% sensitivity, 95% specificity and a cost savings of $650 per tested patient, T2Candida would be adopted by nearly 50% of physicians at a selling price of $200 per

test. However, we expect that cost savings will be $800 per patient and we observed overall sensitivity of 91.1% and specificity of 99.4% in our direcT2 clinical trial. Based on the survey results, we believe that the average selling price for T2Candida is likely to be between $150 and $250 per test. Additionally, in this survey, 95% of laboratory directors and hospital administrators, along with 89% of infectious disease physicians, either "strongly agreed" or "agreed" that initiating appropriate antifungal therapy within 12 hours of the patient presenting with symptoms would result in a reduction in the mortality rate from an average of 40% to approximately 10% for candidemia patients, direct cost savings to hospitals and a significant decrease i antifungal therapy utilization. Physicians surveyed also responded, on average, that they would order T2Candida for approximately 75% of their patients considered at-risk for Candida infections.

Our Technology Platform

We have developed an innovative and proprietary technology platform that offers a rapid, sensitive and simple alternative to existing diagnostic methodologies. T2MR is a miniaturized magnetic resonance-based approach that measures how water molecules react in the presence of magnetic fields. Our proprietary platform is capable of detecting a variety of targets, including:

- molecular targets, such as DNA;
- immunodiagnostics, such as proteins; and
- a broad range of hemostasis measurements.

For molecular and immunodiagnostic targets, T2MR utilizes advances in the field of nanotechnology by deploying particles with magnetic properties that enhance the magnetic resonance signals of specific targets. We believe T2MR is the first technology that can rapidly and accurately detect the presence of molecular targets within samples without the need for time and labor-intensive purification or extraction of target molecules from the sample, such as that required by traditional polymerase chain reaction methods where 90% or more of the target can be lost. For hemostasis measurements, particles are not required because T2MR is highly sensitive to changes in viscosity within a blood sample, such as clot formation.

Utilizing T2MR technology, we have developed T2Dx, a bench-top instrument for sepsis and other applications, and we are developing T2Stat, a compact, fully integrated instrument for hemostasis applications. T2Dx is an easy-to-use, fully automated, bench-top instrument that is capable of running a broad range of diagnostic panel types from patient sample input to result. The initial panels designed to run on T2Dx are T2Candida and T2Bacteria, which are focused on identifying life-threatening pathogens associated with sepsis. We believe T2Stat is th first compact, fully integrated instrument capable of rapidly providing comprehensive hemostasis measurements. T2Stat will run our T2HemoStat panel, which includes a broad set of hemostasis measurements, including platelet function, clotting time and clot degradation, also known as fibrinolysis.

Our Strategy

T2MR enables rapid and sensitive direct detection of a range of targets, and we believe it can be used in a variety of diagnostic applications that will improve patient outcomes and reduce healthcare costs. Our objective is to establish T2MR as a standard of care for clinical diagnostics. To achieve this objective, our strategy is to:

- seek marketing authorization from the FDA for T2Dx and T2Candida;
- drive commercial adoption of our sepsis products by demonstrating their value to physicians, laboratory directors and hospitals;
- establish a recurring, consumables-based business model;
- broaden our addressable markets in sepsis and hemostasis;
- broaden our addressable markets beyond sepsis and hemostasis; and

- drive international expansion.

Risks Associated with Our Business

Our business is subject to numerous risks, including:

- We have a limited operating history. We currently have no commercial products and we have not received marketing authorization from the FDA for any product.
- Marketing authorization from the FDA and regulatory approval by foreign regulatory authorities for T2Dx, T2Candida and our other diagnostic product candidates will take time and require significant research, development and clinical study expenditures, and ultimately may not be received. Our expectation for receipt of marketing authorization from the FDA is based in part on non-binding communications with the FDA about our clinical trial data and there can be no assurance that our clinical trial data will satisfy the FDA.
- Commercialization of T2Dx, T2Candida and our other diagnostic product candidates following marketing authorization from the FDA is the key element of our strategy. If we fai to successfully commercialize T2Dx, T2Candida or such other products, whether as a result of an inability to convince hospitals that our product candidates will provide equal o superior diagnostic information on a more rapid basis and improve patient outcomes, or for other reasons, we may never receive a return on the significant investments in sales and marketing, regulatory, manufacturing and quality assurance we have made, and further investments we intend to make.
- We have incurred losses since we were formed and expect to incur losses for the foreseeable future. Our accumulated deficit as of March 31, 2014 was $98.1 million and we incurred net losses of $20.6 million and $6.9 million for the year ended December 31, 2013 and the three months ended March 31, 2014, respectively. We cannot be certain tha we will achieve or sustain profitability or be able to raise additional capital to fund operations.
- The *in vitro* diagnostics market is highly competitive, with the involvement of more established, better-capitalized commercial companies. If we fail to compete effectively, our ability to achieve profitability will be compromised.
- If we are unable to protect our intellectual property, our ability to compete effectively after receipt of marketing authorization from the FDA will be impaired.

Our Corporate Information

We were incorporated under the laws of the state of Delaware in 2006. Our principal executive offices are located at 101 Hartwell Avenue, Lexington, Massachusetts 02421 and our telephone number is (781) 457-1200. Our website address is *www.t2biosystems.com*. The information contained in, or accessible through, our website does not constitute a part of this prospectus.

Implications of Being an Emerging Growth Company

As a company with less than $1.0 billion in revenue during our last fiscal year, we qualify as an "emerging growth company" as defined in the Jumpstart Our Business Startups Act, or JOBS Act, enacted in April 2012. An "emerging growth company" may take advantage of exemptions from some of the reporting requirements that are otherwise applicable to public companies. These exceptions include:

- being permitted to present only two years of audited financial statements and only two years of related Management's Discussion and Analysis of Financial Condition and Results of Operations in this prospectus;
- not being required to comply with the auditor attestation requirements of Section 404 of the Sarbanes-Oxley Act of 2002, as amended;

- reduced disclosure obligations regarding executive compensation in our periodic reports, proxy statements and registration statements; and
- exemptions from the requirements of holding a nonbinding advisory vote on executive compensation and stockholder approval of any golden parachute payments not previously approved.

We may take advantage of these provisions until the last day of our fiscal year following the fifth anniversary of the closing of this offering. However, if certain events occur prior to the end of such five-year period, including if we become a "large accelerated filer," our annual gross revenue exceeds $1.0 billion or we issue more than $1.0 billion of non-convertible debt in an three-year period, we will cease to be an emerging growth company prior to the end of such five-year period.

We have elected to take advantage of certain of the reduced disclosure obligations in this prospectus and may elect to take advantage of other reduced reporting requirements in futur filings. As a result, the information that we provide to our stockholders may be different than you might receive from other public reporting companies in which you hold equity interests.

In addition, the JOBS Act provides that an emerging growth company can take advantage of an extended transition period for complying with new or revised accounting standards. We have irrevocably elected not to avail ourselves of this exemption and, therefore, we will be subject to the same new or revised accounting standards as other public companies that are not emerging growth companies.

The Offering

Common stock offered by us	4,000,000 shares
Common stock to be outstanding after this offering	18,021,604 shares
Option to purchase additional shares	The underwriters have a 30-day option to purchase a maximum of 600,000 additional shares of common stock.
Use of proceeds	We intend to use the net proceeds from this offering to commercialize our T2Dx and T2Candida product candidates if they receive marketing authorization from the FDA, to fund development of our other product candidates and for working capital and general corporate purposes. See "Use of Proceeds" beginning on page 48.
Risk factors	See "Risk Factors" beginning on page 11 and the other information included in this prospectus for a discussion of factors you should consider carefully before deciding to invest in our common stock.
Proposed NASDAQ Global Market symbol	"TTOO"
Conflict of interest	Because certain affiliates of Goldman, Sachs & Co., an underwriter of this offering, beneficially own approximately 18.1% of our common stock as of June 30, 2014, and are together entitled to designate one member of our board of directors prior to the closing of this offering, Goldman, Sachs & Co. is deemed to have a "conflict of interest" within the meaning Rule 5121 of the Financial Industry Regulatory Authority, or FINRA. Accordingly, this offering will be made in compliance with the applicable provisions of FINRA Rule 5121. FINRA Rule 5121 prohibits Goldman, Sachs & Co. from making sales to discretionary accounts without the prior written approval of the account holder and requires that a "qualified independent underwriter," as defined in FINRA Rule 5121, participate in the preparation of the registration statement and exercise its usual standards of due diligence with respect thereto. Morgan Stanley & Co. LLC has agreed to act as "qualified independent underwriter" for this offering. See "Underwriting (Conflict of Interest)".

Directed share program	At our request, the underwriters have reserved 5% of the shares of common stock to be issued by us and offered by this prospectus for sale, at the initial public offering price, to our directors, officers, employees, business associates and related persons.

The number of shares of our common stock to be outstanding after this offering is based on 14,021,604 shares of our common stock outstanding as of March 31, 2014, after giving effect to the automatic conversion of all outstanding shares of our preferred stock into 12,516,298 shares of our common stock upon the closing of this offering and the issuance of 93,320 shares of our common stock as a result of the net exercise of all outstanding warrants, which will occur upon the closing of this offering, and excludes:

- 2,282,591 shares of our common stock issuable upon exercise of stock options outstanding as of March 31, 2014, at a weighted-average exercise price of $2.57 per share, an 441,719 shares of our common stock issuable upon the exercise of stock options granted after March 31, 2014 at an exercise price of $10.69 per share;
- 1,016,953 shares of our common stock reserved for future issuance under our 2014 Incentive Award Plan, which will become effective on the day prior to the public trading dat of our common stock, as well as shares of our common stock that become available pursuant to provisions in our 2014 Incentive Award Plan that automatically increase the share reserve under the 2014 Incentive Award Plan as more fully described in "Executive and Director Compensation—2014 Incentive Award Plan"; and
- 220,588 shares of our common stock reserved for future issuance under our 2014 Employee Stock Purchase Plan, which will become effective on the day prior to the public trading date of our common stock, as well as shares of our common stock that become available pursuant to provisions in our 2014 Employee Stock Purchase Plan that automatically increase the share reserve under the 2014 Employee Stock Purchase Plan as more fully described in "Executive and Director Compensation—2014 Employee Stock Purchase Plan".

Unless otherwise indicated, this prospectus reflects and assumes the following:

- a 1-for-1.7 reverse stock split of our common stock effected on July 25, 2014;
- the automatic conversion of all outstanding shares of our preferred stock into 12,516,298 shares of our common stock, which will occur upon the closing of this offering;
- the issuance of 93,320 shares of our common stock as a result of the net exercise of all outstanding warrants, which will occur upon the closing of this offering, assuming an initial public offering price of $16.00 per share, which is the midpoint of the price range set forth on the cover page of this prospectus;
- no exercise of outstanding stock options after March 31, 2014;
- the filing of our restated certificate of incorporation and the adoption of our amended and restated bylaws, which will occur upon the closing of this offering; and
- no exercise by the underwriters of their option to purchase additional shares of our common stock.

Certain of our existing stockholders and their affiliated entities, including Aisling Capital and affiliates of Goldman, Sachs & Co., have indicated an interest to purchase up to $17 millior in shares of our common stock in this offering at the initial public offering price. However, because indications of interest are not binding agreements or commitments to purchase, any of these existing stockholders may determine to increase or reduce the amount of its indication of interest, or otherwise elect not to purchase any shares. It is also possible that the number of shares, if any, allocated to any investor in the offering may be smaller than the amount of that investor's indication of interest. Any allocation of shares in the offering to these existing stockholders will be made at our direction. The underwriters will receive the same underwriting discount on any shares purchased by these entities as they will on any other shares sold to th public in this offering.

Summary Financial Data

The following tables set forth, for the periods and as of the dates indicated, our summary financial data. The statement of operations data for the years ended December 31, 2012 and 2013 are derived from our audited financial statements appearing elsewhere in this prospectus. The balance sheet data as of March 31, 2014 and the statement of operations data for the three months ended March 31, 2013 and 2014 and the statement of operations data for the period from our inception (April 27, 2006) to March 31, 2014 have been derived from our unaudited financial statements included elsewhere in this prospectus. These unaudited financial statements have been prepared on a basis consistent with our audited financial statements and, in our opinion, contain all adjustments, consisting of normal and recurring adjustments, necessary for the fair presentation of such financial data. You should read this data together with our financial statements and related notes included elsewhere in this prospectus and the information under the captions "Selected Financial Data" and "Management's Discussion and Analysis of Financial Condition and Results of Operations". Our historical results are not necessarily indicative of our future results, and our operating results for the three months ended March 31, 2014 are not necessarily indicative of the results that may be expected for the year ending December 31, 2014 or any other interim periods or any future year or period.

	Year Ended December 31,		Three Months Ended March 31,		Period from April 27, 2006 (Inception) to March 31, 2014
	2012	2013	2013	2014	
	(in thousands, except share and per share data)				
Statement of Operations Data:					
Research and grant revenue	$ 19	$ 266	$ —	$ —	$ 3,085
Operating expenses:					
Research and development	11,727	14,936	3,561	5,065	59,388
Selling, general and administrative	2,945	5,022	1,039	1,842	22,552
Total operating expenses	14,672	19,958	4,600	6,907	81,940
Interest expense, net	(154)	(403)	(105)	(86)	(937)
Other income (expense), net	352	(515)	125	73	611
Net loss	(14,455)	(20,610)	(4,580)	(6,920)	(79,181)
Accretion of redeemable convertible preferred stock to redemption value	(4,412)	(6,908)	(1,176)	(1,906)	(21,307)
Net loss applicable to common stockholders	$ (18,867)	$ (27,518)	$ (5,756)	$ (8,826)	$ (100,488)
Net loss per share applicable to common stockholders – basic and diluted[1]	$ (13.86)	$ (19.72)	$ (4.17)	$ (6.25)	$ (99.66)
Weighted-average number of common shares used in computing net loss per share applicable to common stockholders – basic and diluted[1]	1,361,616	1,395,562	1,380,303	1,411,961	1,008,304

	Year Ended December 31,		Three Months Ended March 31,		Period from April 27, 2006 (Inception) to March 31, 2014
	2012	2013	2013	2014	
	(in thousands, except share and per share data)				
Pro forma net loss per share applicable to common stockholders – basic and diluted (unaudited)[1]		$ (1.53)		$ (0.50)	$ (13.33)
Pro forma weighted-average number of common shares used in computing net loss per share applicable to common stockholders – basic and diluted (unaudited)[1]		13,111,584		14,021,579	5,912,015

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

The following table presents our summary balance sheet data as of March 31, 2014:

- on an actual basis;
- on a pro forma basis to give effect to:
  - the automatic conversion of all outstanding shares of our preferred stock into an aggregate of 12,516,298 shares of common stock, which will occur automatically upon the closing of this offering, and the issuance of 93,320 shares of common stock upon the net exercise of all outstanding warrants, which will occur upon the closing of this offering, assuming an initial public offering price of $16.00 per share, which is the midpoint of the price range set forth on the cover page of this prospectus, and the resulting reclassification of the related liability for warrants to purchase redeemable securities to additional paid-in capital; and
  - the borrowing of $10.0 million under a senior secured term loan facility with Solar Capital, Ltd. and the repayment of all outstanding obligations relate to our loan and security agreement with Silicon Valley Bank in July 2014, together with scheduled principal payments after March 31, 2014, totaling $3.4 million; and
- on a pro forma as adjusted basis to give further effect to our issuance and sale of 4,000,000 shares of common stock in this offering at an assumed initial public offering price of $16.00 per share, which is the midpoint of the price range set forth on the cover page of this prospectus, after deducting the estimate underwriting discount and estimated offering expenses payable by us.

	As of March 31, 2014		
	Actual	Pro forma	Pro forma as adjusted
	(in thousands)		
Balance Sheet Data:			
Cash and cash equivalents	$ 23,698	$ 30,323	$ 87,323
Total assets	25,832	32,457	89,457
Current liabilities	5,201	3,717	3,717
Notes payable, net of current portion	2,855	11,000	11,000
Warrants to purchase redeemable securities	1,152	—	—
Total stockholders' (deficit) equity	(98,130)	17,705	74,705

Each $1.00 increase (decrease) in the assumed initial public offering price of $16.00 per share, which is the midpoint of the price range set forth on the cover page of this prospectus, would increase (decrease) the pro forma as adjusted amount of each of cash and cash equivalents, total assets and total stockholders' (deficit) equity by $3.7 million, assuming that the number of shares offered by us, as set forth on the cover page of this prospectus, remains the same and after deducting the estimated underwriting discount and estimated offering expense payable by us. Similarly, each increase (decrease) of 1.0 million shares in the number of shares offered by us at the assumed initial public offering price would increase (decrease) each of cash and cash equivalents, total assets and total stockholders' (deficit) equity by $14.9 million. The pro forma and pro forma as adjusted information discussed above is illustrative only and will change depending on the actual initial public offering price and other terms of our initial public offering determined at pricing.

RISK FACTORS

Investing in our common stock involves a high degree of risk. You should carefully consider the risks described below, as well as the other information in this prospectus, including our financial statements and the related notes and "Management's Discussion and Analysis of Results of Operations and Financial Condition," before deciding whether to invest in our common stock. The occurrence of any of the events or developments described below could harm our business, financial condition, results of operations and growth prospects. In such an event, the market price of our common stock could decline, and you may lose all or part of your investment. Additional risks and uncertainties not presently known to us or that we currently deem immaterial also may impair our business operations.

Risks Related to our Business and Strategy

We are a development-stage company and have incurred significant losses since inception and expect to incur losses in the future. We cannot be certain that we will achieve or sustain profitability.

We have incurred significant losses since inception through March 31, 2014 and expect to incur losses in the future. Our accumulated deficit as of March 31, 2014 was $98.1 million and we incurred net losses of $20.6 million and $6.9 million for the year-ended December 31, 2013 and the three months ended March 31, 2014, respectively. We expect that our losses will continue for at least the next several years as we will be required to invest significant additional funds toward development and commercialization of our technology. We also expect that our selling, general and administrative expenses will continue to increase due to the additional costs associated with establishing a dedicated sales force and other marketing efforts for any product candidates that receive marketing authorization from the FDA or regulatory clearance and the increased administrative costs associated with being a public company. Our ability to achieve or sustain profitability depends on numerous factors, many of which are beyond our control, including our ability to achieve marketing authorization from the FDA or regulatory clearance for any product candidates, the market acceptance of our product candidates, future product development and our market penetration and margins. We may never be able to generate sufficient revenue to achieve or sustain profitability.

Our product candidates have not obtained marketing authorization from the FDA or regulatory clearance in any jurisdiction, other than conformity with the European Union Directive on in vitro diagnostic medical devices, and they may never obtain such marketing authorization from the FDA or regulatory clearance.

Our success depends on our ability to obtain marketing authorization from the FDA or regulatory clearance of T2Dx, T2Candida and other product candidates in our pipeline. If our attempts to obtain marketing authorization are unsuccessful, we may be unable to generate sufficient revenue to sustain and grow our business, and our business, financial condition and results of operations will be materially adversely affected. Our future product candidates may not be sufficiently sensitive or specific to obtain, or may prove to have other characteristics that preclude our obtaining, marketing authorization from the FDA or regulatory clearance. The process of obtaining regulatory clearance is expensive, and time-consuming and can vary substantially based upon, among other things, the type, complexity and novelty of our product candidates. Changes in regulatory policy, changes in or the enactment of additional statutes or regulations or changes in regulatory review for each submitted product application may cause delays in the clearance of, or receipt of marketing authorization from the FDA for, a product candidate or rejection of a regulatory application altogether. The FDA has substantial discretion in the *de novo* review and clearance processes and may refuse to accept any application or may decide that our data are insufficient for

clearance and require additional pre-clinical, clinical or other studies. In addition, varying interpretations of the data obtained from pre-clinical and clinical testing could delay, limit or prevent marketing authorization from the FDA or regulatory clearance of a product candidate. Any marketing authorization from the FDA or regulatory clearance we ultimately obtain may be limited or subject to restrictions or post-market commitments that render the product candidate not commercially viable.

If T2MR, our T2Dx and T2Candida product candidates or any of our other product candidates fail to achieve and sustain sufficient market acceptance, we will not generate expected revenue and our growth prospects, operating results and financial condition may be harmed.

Commercialization of T2MR, our T2Dx and T2Candida product candidates and any of our other product candidates in the United States and other jurisdictions in which we intend to pursue marketing authorization is a key element of our strategy. If we are not successful in conveying to hospitals that our product candidates provide equivalent or superior diagnostic information in a shorter period of time compared to existing technologies, or that these product candidates improve patient outcomes or decrease healthcare costs, we may experience reluctance, or refusal, on the part of hospitals to order, and third-party payors to pay for performing a test in which our product is utilized. For example, the T2Candida panel is likely to be labeled for the presumptive diagnosis of *Candida* infection and will require use in conjunction with other diagnostic procedures such as microbiological culture if it is authorized for marketing, meaning that our technology will complement the current standard of care, rather than serve as a replacement for the current standard of care. The results of the web-based survey we conducted of decision makers involved with laboratory purchasing may not be indicative of the actual adoption of T2Candida, if approved. In addition, our expectations regarding cost savings from using our products may not be accurate.

These hurdles may make it difficult to demonstrate to physicians, hospitals and other healthcare providers that our diagnostic product candidates are appropriate options for diagnosing sepsis and impaired hemostasis, may be superior to available tests and may be more cost-effective than alternative technologies. Furthermore, we may encounter significant difficulty in gaining inclusion in sepsis and hemostasis treatment guidelines, gaining broad market acceptance by healthcare providers, third-party payors and patients using T2MR and our related product candidates. Furthermore, healthcare providers may have difficulty in maintaining adequate reimbursement for sepsis treatment, which may negatively impact adoption of our product candidates.

If we fail to successfully commercialize our product candidates, we may never receive a return on the significant investments in product development, sales and marketing, regulatory, manufacturing and quality assurance we have made and further investments we intend to make, and may fail to generate revenue and gain economies of scale from such investments.

We have no experience in marketing and selling our product candidates, and if we are unable to successfully commercialize our products, our business may be adversely affected.

We have no experience marketing and selling our product candidates. Upon receipt of marketing authorization from the FDA for our product candidates, we plan to sell through a direct sales force in the United States. Outside of the United States, we expect to sell our product candidates through distribution partners.

Our future sales of diagnostic products will depend in large part on our ability to successfully establish a product sales force in the United States. Because we have no experience in marketing and selling our product candidates in the diagnostics market, our ability to forecast demand, the infrastructure required to support such demand and the sales cycle of our potential customers is

unproven. If we do not build an efficient and effective sales force targeting this market, our business and operating results may be adversely affected.

Moreover, there is no guarantee that we will be successful in attracting or retaining desirable distribution partners for markets outside the United States or that we will be able to enter into such arrangements on favorable terms. Distributors may not commit the necessary resources to market and sell our product candidates effectively or may choose to favor marketing the products of our competitors. If distributors do not perform adequately, or if we are unable to enter into effective arrangements with distributors in particular geographic areas, we may not realize international sales and growth.

Our sales cycle will be lengthy and variable, which makes it difficult for us to forecast revenue and other operating results.

Our sales process will involve numerous interactions with multiple individuals within an organization and will often include in-depth analysis by potential customers of our product candidates, performance of proof-of-principle studies, preparation of extensive documentation and a lengthy review process. As a result of these factors and the budget cycles of our potential customers, the time from initial contact with a customer to our receipt of a purchase order will vary significantly and could be up to 12 months or longer. Given the length and uncertainty of our anticipated sales cycle, we likely will experience fluctuations in our product sales on a period-to-period basis. Expected revenue streams are highly dependent on hospitals' adoption of our consumables-based business model, and we cannot assure you that our potential hospital clients will follow a consistent purchasing pattern. Moreover, it is difficult for us to forecast our revenue as it is dependent upon our ability to convince the medical community of the clinical utility and economic benefits of our product candidates and their potential advantages over existing diagnostic tests, the willingness of hospitals to utilize our product candidates and the cost of our product candidates to hospitals.

We may not be able to gain the support of leading hospitals and key thought leaders, or to publish the results of our clinical trials in peer-reviewed journals, which may make it difficult to establish T2MR as a standard of care and may limit our revenue growth and ability to achieve profitability.

Our strategy includes developing relationships with leading hospitals and key thought leaders in the industry. If these hospitals and key thought leaders determine that T2MR and related product candidates are not clinically effective or that alternative technologies are more effective, or if we encounter difficulty promoting adoption or establishing T2MR as a standard of care, our revenue growth and our ability to achieve profitability could be significantly limited.

We believe that the successful completion of our pivotal T2Dx and T2Candida clinical trial, publication of scientific and medical results in peer-reviewed journals and presentation of data at leading conferences are critical to the broad adoption of T2MR. Publication in leading medical journals is subject to a peer-review process, and peer reviewers may not consider the results of studies involving T2MR sufficiently novel or worthy of publication.

If we are unable to successfully manage our growth, our business will be harmed.

During the past few years, we have significantly expanded our operations. We expect this expansion to continue to an even greater degree following the closing of this offering as we seek marketing authorization from the FDA or regulatory clearance and the commercial launch of our product candidates. We intend to develop a targeted sales force in connection with our commercialization efforts. Our growth has placed and will continue to place a significant strain on our management, operating and financial systems and our sales, marketing and administrative

resources. As a result of our growth, operating costs may escalate even faster than planned, and some of our internal systems and processes, including those relating to manufacturing our product candidates, may need to be enhanced, updated or replaced. If we cannot effectively manage our expanding operations, manufacturing capacity and costs, including scaling to meet increased demand, we may not be able to continue to grow or we may grow at a slower pace than expected and our business could be adversely affected.

Our future capital needs are uncertain, and we may need to raise additional funds in the future.

We believe that our existing cash and cash equivalents, together with the funds raised in this offering, will be sufficient to meet our anticipated cash requirements for at least the next 18 months. However, we may need to raise substantial additional capital to:

- expand our product candidate offerings;
- expand our sales and marketing infrastructure;
- increase our manufacturing capacity;
- fund our operations; and
- continue our research and development activities.

Our future funding requirements will depend on many factors, including:

- our ability to obtain marketing authorization from the FDA or clearance from the FDA to market our product candidates;
- market acceptance of our product candidates, if cleared;
- the cost and timing of establishing sales, marketing and distribution capabilities;
- the cost of our research and development activities;
- the ability of healthcare providers to obtain coverage and adequate reimbursement by third-party payors for procedures using our products;
- the cost and timing of marketing authorization or regulatory clearances;
- the cost of goods associated with our product candidates;
- the effect of competing technological and market developments; and
- the extent to which we acquire or invest in businesses, products and technologies, including entering into licensing or collaboration arrangements for product candidates, although we currently have no commitments or agreements to complete any such transactions.

We cannot assure you that we will be able to obtain additional funds on acceptable terms, or at all. If we raise additional funds by issuing equity or equity-linked securities, our stockholders may experience dilution. Debt financing, if available, may involve covenants restricting our operations or our ability to incur additional debt. Any debt or additional equity financing that we raise may contain terms that are not favorable to us or our stockholders. If we raise additional funds through collaboration and licensing arrangements with third parties, it may be necessary to relinquish some rights to our technologies or our product candidates, or grant licenses on terms that are not favorable to us. If we are unable to raise adequate funds, we may have to liquidate some or all of our assets or delay, reduce the scope of or eliminate some or all of our development programs.

If we do not have, or are not able to obtain, sufficient funds, we may be required to delay development or commercialization of our product candidates or license to third parties the rights to

commercialize our product candidates or technologies that we would otherwise seek to commercialize ourselves. We also may have to reduce marketing, customer support or other resources devoted to our product candidates or cease operations. Any of these factors could harm our operating results.

Our future success is dependent upon our ability to create and expand a customer base for our product candidates in large hospitals.

We anticipate marketing our initial product candidates, if they receive marketing authorization from the FDA, to the approximately 450 leading hospitals in the United States in which the patients highest at risk of suffering from sepsis are concentrated. We may not be successful in promoting adoption of our technologies in those hospitals, which would make it difficult for us to achieve broader market acceptance of our product candidates.

We depend on a sole supplier for our particles and any interruption in our relationship with this party may adversely affect our business.

Particles used in some of our product candidates are purchased from a sole source, GE Healthcare Bio-Sciences Corp., or GE Healthcare. If this supplier were to go out of business, discontinue manufacturing the particles we use or otherwise become unable to meet its supply commitments, the process of securing an alternate source could be delayed. Additionally, there can be no assurance that replacement particles will be available or will meet our quality control and performance requirements within an acceptable time. While we may be able to modify our product candidates to utilize a new source of particles, we would need to secure marketing authorization from the FDA for the modified product, and it could take considerable time and expense to perform the requisite tasks prior to petition for *de novo* review.

If we are unable to recruit, train and retain key personnel, we may not achieve our goals.

Our future success depends on our ability to recruit, train, retain and motivate key personnel, including our senior management, research and development, science and engineering, manufacturing and sales and marketing personnel. In particular, we are highly dependent on the management and business expertise of John McDonough, our President and Chief Executive Officer. We do not maintain fixed-term employment contracts or key man life insurance with any of our employees. Competition for qualified personnel is intense, particularly in the Boston, Massachusetts area. Our growth depends, in particular, on attracting, retaining and motivating highly trained sales personnel with the necessary scientific background and ability to understand our systems at a technical level. In addition, we may need additional employees at our manufacturing facilities to meet demand for our products as we scale up our sales and marketing operations. Because of the complex and technical nature of our products and the dynamic market in which we compete, any failure to attract, train, retain and motivate qualified personnel could materially harm our operating results and growth prospects.

If our diagnostics do not perform as expected, our operating results, reputation and business will suffer.

Our success will depend on the market's confidence that our technologies can provide reliable, high-quality diagnostic results. We believe that our customers are likely to be particularly sensitive to any defects or errors in our product candidates. If our technology failed to detect the presence of *Candida* or another bacterial pathogen and a patient subsequently suffered from sepsis, or if our technology failed to detect impaired hemostasis and a patient faced adverse consequences from the misdiagnosis, then we could face claims against us or our reputation could suffer as a result of such failures. The failure of our current or planned diagnostic product

candidates to perform as expected could significantly impair our reputation and the public image of our products, and we may be subject to legal claims arising from any defects or errors.

The diagnostics market is highly competitive. If we fail to compete effectively, our business and operating results will suffer.

If our product candidates receive marketing authorization or are cleared or approved, we will compete with commercial diagnostics companies. We believe our principal competition will come from traditional blood culture-based diagnostic companies, including Becton Dickinson & Co. and bioMerieux, Inc., as well as companies offering post-culture species identification using both molecular and non-molecular methods, including bioMerieux, Inc., Bruker Corporation, Cepheid and Siemens AG.

Most of our expected competitors are either publicly traded, or are divisions of publicly traded companies, and have a number of competitive advantages over us, including:

- greater name and brand recognition, financial and human resources;
- established and broader product lines;
- larger sales forces and more established distribution networks;
- substantial intellectual property portfolios;
- larger and more established customer bases and relationships; and
- better established, larger scale and lower-cost manufacturing capabilities.

We believe that the principal competitive factors in all of our target markets include:

- impact of products on the health of the patient;
- impact of the use of products on the cost of treating patients in the hospital;
- cost of capital equipment;
- reputation among physicians, hospitals and other healthcare providers;
- innovation in product offerings;
- flexibility and ease-of-use;
- speed, accuracy and reproducibility of results; and
- ability to implement a consumables-based model for panels.

We believe that additional competitive factors specific to the diagnostics market include:

- breadth of clinical decisions that can be influenced by information generated by diagnostic tests;
- volume, quality and strength of clinical and analytical validation data;
- availability of adequate reimbursement for testing services and procedures for healthcare providers using our products; and
- economic benefit accrued to hospitals based on the total cost to treat a patient for a health condition.

We cannot assure you that we will effectively compete or that we will be successful in the face of increasing competition from new products and technologies introduced by our existing competitors or new companies entering our markets. In addition, we cannot assure you that our future competitors do not have or will not develop products or technologies that enable them to produce competitive products with greater capabilities or at lower costs than our product candidates. Any failure to compete effectively could materially and adversely affect our business, financial condition and operating results.

Undetected errors or defects in our product candidates could harm our reputation, decrease market acceptance of our products or expose us to product liability claims.

Our product candidates may contain undetected errors or defects. Disruptions or other performance problems with our product candidates may damage our customers' businesses and could harm our reputation. If that occurs, we may incur significant costs, the attention of our key personnel could be diverted or other significant customer relations problems may arise. We may also be subject to warranty and liability claims for damages related to errors or defects in our product candidates. A material liability claim or other occurrence that harms our reputation or decreases market acceptance of our product candidates could harm our business and operating results.

The sale and use of product candidates or services based on our technologies, or activities related to our research and clinical studies, could lead to the filing of product liability claims if someone were to allege that one of our product candidates contained a design or manufacturing defect. A product liability claim could result in substantial damages and be costly and time consuming to defend, either of which could materially harm our business or financial condition. We cannot assure you that our product liability insurance would adequately protect our assets from the financial impact of defending a product liability claim. Any product liability claim brought against us, with or without merit, could increase our product liability insurance rates or prevent us from securing insurance coverage in the future.

We may not be able to develop new product candidates or enhance the capabilities of our systems to keep pace with our industry's rapidly changing technology and customer requirements, which could have a material adverse impact on our revenue, results of operations and business.

Our industry is characterized by rapid technological changes, frequent new product introductions and enhancements and evolving industry standards. Our success depends on our ability to develop new product candidates and applications for our technology in new markets that develop as a result of technological and scientific advances, while improving the performance and cost-effectiveness of our existing product candidates. New technologies, techniques or products could emerge that might offer better combinations of price and performance than the products and systems that we plan to sell. Existing markets for our intended diagnostic product candidates are characterized by rapid technological change and innovation. It is critical to our success that we anticipate changes in technology and customer requirements and physician, hospital and healthcare provider practices and successfully introduce new, enhanced and competitive technologies to meet our prospective customers' needs on a timely and cost-effective basis. At the same time, however, we must carefully manage our introduction of new products. If potential customers believe that such products will offer enhanced features or be sold for a more attractive price, they may delay purchases until such products are available. We may also have excess or obsolete inventory of older products as we transition to new products, and we have no experience in managing product transitions. If we do not successfully innovate and introduce new technology into our anticipated product lines or manage the transitions of our technology to new product offerings, our revenue, results of operations and business will be adversely impacted.

Competitors may be able to respond more quickly and effectively than we can to new or changing opportunities, technologies, standards or customer requirements. We anticipate that we will face strong competition in the future as expected competitors develop new or improved products and as new companies enter the market with new technologies.

We are developing additional product candidates that we intend to be used with T2Dx, including T2Bacteria for detection of certain strains of sepsis-causing bacteria. We are also

developing T2Stat, to be used with our developmental T2HemoStat panel, which is designed to detect impaired hemostasis. We may have problems applying our technologies to these other areas and our new applications may not be as effective in detection as our initial applications. Any failure or delay in creating a customer base or launching new applications may compromise our ability to achieve our growth objectives.

We currently develop, manufacture and test our product candidates and some of their components in two facilities. If these or any future facility or our equipment were damaged or destroyed, or if we experience a significant disruption in our operations for any reason, our ability to continue to operate our business could be materially harmed.

We currently develop our diagnostic product candidates exclusively in a facility in Lexington, Massachusetts and manufacture and test some components of our product candidates at a facility in Wilmington, Massachusetts. If these or any future facility were to be damaged, destroyed or otherwise unable to operate, whether due to fire, floods, hurricanes, storms, tornadoes, other natural disasters, employee malfeasance, terrorist acts, power outages, or otherwise, or if our business is disrupted for any other reason, we may not be able to develop our product candidates or test our product candidates as promptly as our potential customers expect, or possibly not at all.

The manufacture of components of our product candidates at our Wilmington facility involves complex processes, sophisticated equipment and strict adherence to specifications and quality systems procedures. Any unforeseen manufacturing problems, such as contamination of our facility, equipment malfunction, or failure to strictly follow procedures or meet specifications, could result in delays or shortfalls in production of our products. Identifying and resolving the cause of any manufacturing issues could require substantial time and resources. If we are unable to keep up with future demand for our products by successfully manufacturing and shipping our products in a timely manner, our revenue growth could be impaired and market acceptance of our product candidates could be adversely affected.

Currently, we maintain insurance coverage totaling $9.9 million against damage to our property and equipment, subject to deductibles and other limitations. If we have underestimated our insurance needs with respect to an interruption, or if an interruption is not subject to coverage under our insurance policies, we may not be able to cover our losses.

We may be adversely affected by fluctuations in demand for, and prices of, rare earth materials.

T2MR relies, in part, on rare earth materials and products. For example, T2Dx utilizes magnets which are extracted from the earth. Although there are currently multiple suppliers for these rare earth materials, changes in demand for, and the market price of, these magnets could significantly affect our ability to manufacture our T2MR-based instruments and, consequently, our profitability. Rare earth minerals and product prices may fluctuate and are affected by numerous factors beyond our control such as interest rates, exchange rates, inflation or deflation, global and regional supply and demand for rare earth minerals and products, and the political and economic conditions of countries that produce rare earth minerals and products.

Provisions of our debt instruments may restrict our ability to pursue our business strategies.

Our credit facilities require us, and any debt instruments we may enter into in the future may require us, to comply with various covenants that limit our ability to, among other things:

- convey, lease, sell, transfer, assign or otherwise dispose of assets;
- change the nature or location of our business;

- complete mergers or acquisitions;
- incur indebtedness;
- encumber assets;
- pay dividends or make other distributions to holders of our capital stock (other than dividends paid solely in common stock);
- make specified investments;
- change certain key management personnel; and
- engage in material transactions with our affiliates.

These restrictions could inhibit our ability to pursue our business strategies. If we default under our credit facilities, and such event of default was not cured or waived, the lenders could terminate commitments to lend and cause all amounts outstanding with respect to the debt to be due and payable immediately, which in turn could result in cross defaults under other debt instruments. Our assets and cash flow may not be sufficient to fully repay borrowings under all of our outstanding debt instruments if some or all of these instruments are accelerated upon a default.

We may incur additional indebtedness in the future. The debt instruments governing such indebtedness could contain provisions that are as, or more, restrictive than our existing debt instruments. If we are unable to repay, refinance or restructure our indebtedness when payment is due, the lenders could proceed against the collateral granted to them to secure such indebtedness or force us into bankruptcy or liquidation.

As part of our current business model, we will seek to enter into strategic relationships with third parties to develop and commercialize diagnostic products.

We intend to enter into strategic relationships with third parties for future diagnostic products. However, there is no assurance that we will be successful in doing so. Establishing strategic relationships can be difficult and time-consuming. Discussions may not lead to agreements on favorable terms, if at all. To the extent we agree to work exclusively with a party in a given area, our opportunities to collaborate with others or develop opportunities independently could be limited. Potential collaborators or licensors may elect not to work with us based upon their assessment of our financial, regulatory or intellectual property position. Even if we establish new strategic relationships, they may never result in the successful development or commercialization of future products.

Acquisitions or joint ventures could disrupt our business, cause dilution to our stockholders and otherwise harm our business.

We may acquire other businesses, products or technologies as well as pursue strategic alliances, joint ventures, technology licenses or investments in complementary businesses. We have not made any acquisitions to date, and our ability to do so successfully is unproven. Any of these transactions could be material to our financial condition and operating results and expose us to many risks, including:

- disruption in our relationships with future customers or with current or future distributors or suppliers as a result of such a transaction;
- unanticipated liabilities related to acquired companies;
- difficulties integrating acquired personnel, technologies and operations into our existing business;

- diversion of management time and focus from operating our business to acquisition integration challenges;
- increases in our expenses and reductions in our cash available for operations and other uses;
- possible write-offs or impairment charges relating to acquired businesses; and
- inability to develop a sales force for any additional product candidates.

Foreign acquisitions involve unique risks in addition to those mentioned above, including those related to integration of operations across different cultures and languages, currency risks and the particular economic, political and regulatory risks associated with specific countries.

Also, the anticipated benefit of any acquisition may not materialize. Future acquisitions or dispositions could result in potentially dilutive issuances of our equity securities, the incurrence of debt, contingent liabilities or amortization expenses or write-offs of goodwill, any of which could harm our financial condition. We cannot predict the number, timing or size of future joint ventures or acquisitions, or the effect that any such transactions might have on our operating results.

If treatment guidelines for sepsis change, or the standard of care evolves, we may need to redesign and seek new marketing authorization from the FDA for our product candidates.

If treatment guidelines for sepsis change, or the standard of care evolves, we may need to redesign and seek new marketing authorization from the FDA for our product candidates. For example, current treatment recommendations for *Candida* infections, including those published by the *Infectious Diseases Society of America*, call for identical treatment for two species of *Candida, C. albicans* and *C. tropicalis*, and identical treatment for two other species, *C. glabrata* and *C. krusei*. Although our T2Candida test is technically capable of distinguishing among these species, we have designed it based on current treatment guidelines and therefore it does not distinguish between two species if they are subject to the same recommended treatment. Our petition to the FDA requesting an order authorizing us to market T2Dx and T2Candida in the United States is also based on current treatment guidelines. If treatment guidelines change so that different treatments become desirable for the two species currently subject to the same recommended treatment, the clinical utility of our T2Candida test could be diminished and we could be required to seek marketing authorization from the FDA for a revised test that would distinguish between the two species.

Our ability to use net operating losses to offset future taxable income may be subject to certain limitations.

As of December 31, 2013, we had federal net operating loss carryforwards, or NOLs, to offset future taxable income of $56.0 million, which are available to offset future taxable income, if any, through 2023. Under Section 382 of the Internal Revenue Code, a corporation that undergoes an "ownership change" is subject to limitations on its ability to utilize its NOLs to offset future taxable income. We may have already experienced one or more ownership changes. Depending on the timing of any future utilization of our carryforwards, we may be limited as to the amount that can be utilized each year as a result of such previous ownership changes. In addition, future changes in our stock ownership, including this or future offerings, as well as other changes that may be outside of our control, could result in additional ownership changes under Section 382 of the Internal Revenue Code. Our NOLs may also be impaired under similar provisions of state law. We have recorded a full valuation allowance related to our NOLs and other deferred tax assets due to the uncertainty of the ultimate realization of the future benefits of those assets.

We face risks related to handling hazardous materials and other regulations governing environmental safety.

Our operations are subject to complex and stringent environmental, health, safety and other governmental laws and regulations that both public officials and private individuals may seek to enforce. Our activities that are subject to these regulations include, among other things, our use of hazardous materials and the generation, transportation and storage of waste. We may not be in material compliance with these regulations. Existing laws and regulations may also be revised or reinterpreted, or new laws and regulations may become applicable to us, whether retroactively or prospectively, that may have a negative effect on our business and results of operations. It is also impossible to eliminate completely the risk of accidental environmental contamination or injury to individuals. In such an event, we could be liable for any damages that result, which could adversely affect our business.

We expect to generate a portion of our future revenue internationally and are subject to various risks relating to our international activities which could adversely affect our operating results.

We believe that a portion of our future revenue will come from international sources as we implement and expand overseas operations. Engaging in international business involves a number of difficulties and risks, including:

- required compliance with existing and changing foreign healthcare and other regulatory requirements and laws, such as those relating to patient privacy or handling of bio-hazardous waste;
- required compliance with anti-bribery laws, such as the U.S. Foreign Corrupt Practices Act and U.K. Bribery Act, data privacy requirements, labor laws and anti-competition regulations;
- export or import restrictions;
- various reimbursement and insurance regimes;
- laws and business practices favoring local companies;
- longer payment cycles and difficulties in enforcing agreements and collecting receivables through certain foreign legal systems;
- political and economic instability;
- potentially adverse tax consequences, tariffs, customs charges, bureaucratic requirements and other trade barriers;
- foreign exchange controls;
- difficulties and costs of staffing and managing foreign operations; and
- difficulties protecting or procuring intellectual property rights.

As we expand internationally, our results of operations and cash flows will become increasingly subject to fluctuations due to changes in foreign currency exchange rates. Our expenses are generally denominated in the currencies in which our operations are located, which is in the United States. If the value of the U.S. dollar increases relative to foreign currencies in the future, in the absence of a corresponding change in local currency prices, our future revenue could be adversely affected as we convert future revenue from local currencies to U.S. dollars.

If we dedicate resources to our international operations and are unable to manage these risks effectively, our business, operating results and prospects will suffer.

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

We are exposed to the risk of fraud or other misconduct by our employees, independent contractors, principal investigators, consultants, commercial partners and vendors. Misconduct by these parties could include intentional, reckless or negligent failures to: comply with the regulations of the FDA and other similar foreign regulatory bodies; provide true, complete and accurate information to the FDA and other similar regulatory bodies; comply with manufacturing standards we have established; comply with healthcare fraud and abuse laws and regulations in the United States and similar foreign fraudulent misconduct laws; or report financial information or data accurately, or disclose unauthorized activities to us. These laws may impact, among other things, our activities with principal investigators and research subjects, as well as our sales, marketing and education programs. In particular, the promotion, sales, marketing and business arrangements in the healthcare industry are subject to extensive laws and regulations intended to prevent fraud, misconduct, kickbacks, self-dealing and other abusive practices. These laws may restrict or prohibit a wide range of pricing, discounting, marketing and promotion, sales commission, customer incentive programs and other business arrangements. Such misconduct could also involve the improper use of information obtained in the course of clinical studies, which could result in regulatory sanctions and cause serious harm to our reputation. We currently have a code of conduct applicable to all of our employees, but it is not always possible to identify and deter employee misconduct, and our code of conduct and the other precautions we take to detect and prevent this activity may not be effective in controlling unknown or unmanaged risks or losses, or in protecting us from governmental investigations or other actions or lawsuits stemming from a failure to comply with these laws or regulations. If any such actions are instituted against us, and we are not successful in defending ourselves or asserting our rights, those actions could have a significant impact on our business, including the imposition of civil, criminal and administrative penalties, damages, monetary fines, disgorgement, individual imprisonment, possible exclusion from participation in Medicare, Medicaid and other federal healthcare programs, contractual damages, reputational harm, diminished profits and future earnings, and curtailment of our operations, any of which could adversely affect our ability to operate our business and our results of operations. Any of these actions or investigations could result in substantial costs to us, including legal fees, and divert the attention of management from operating our business.

We depend on our information technology systems, and any failure of these systems could harm our business.

We depend on information technology systems for significant elements of our operations, including the storage of data and retrieval of critical business information. We have installed, and expect to expand, a number of enterprise software systems that affect a broad range of business processes and functional areas, including systems handling human resources, financial controls and reporting, contract management, regulatory compliance and other infrastructure operations. These information technology systems may support a variety of functions, including laboratory operations, test validation, quality control, customer service support, billing and reimbursement, research and development activities and general administrative activities. Our clinical trial data is currently stored on a third party's servers.

Information technology systems are vulnerable to damage from a variety of sources, including network failures, malicious human acts and natural disasters. Moreover, despite network security and back-up measures, some of our servers are potentially vulnerable to physical or electronic break-ins, computer viruses and similar disruptive problems. Despite the precautionary measures we have taken to prevent unanticipated problems that could affect our information technology

systems, failures or significant downtime of our information technology systems or those used by our third-party service providers could prevent us from conducting our general business operations. Any disruption or loss of information technology systems on which critical aspects of our operations depend could have an adverse effect on our business. Further, we store highly confidential information on our information technology systems, including information related to clinical data, product designs and plans to create new products. If our servers or the servers of the third party on which our clinical data is stored are attacked by a physical or electronic break-in, computer virus or other malicious human action, our confidential information could be stolen or destroyed.

Risks Related to Government Regulation and Diagnostic Product Reimbursement

Approval and clearance by the FDA and foreign regulatory authorities for our diagnostic tests will take significant time and require significant research, development and clinical study expenditures and ultimately may not succeed. Furthermore, our expectation of marketing authorization from the FDA is based in part on non-binding communications with the FDA about our clinical trial data and there can be no assurance that our clinical trial data will satisfy the FDA.

Before we begin to label and market our product candidates for use as clinical diagnostics in the United States, we are required to obtain clearance from the FDA under Section 510(k) of the Federal Food, Drug and Cosmetic Act, approval of a *de novo* reclassification petition for our product, or approval of pre-market approval, or PMA, application from the FDA, unless an exemption from pre-market review applies. In the 510(k) clearance process, the FDA must determine that a proposed device is "substantially equivalent" to a device legally on the market, known as a "predicate" device, with respect to intended use, technology and safety and effectiveness, in order to clear the proposed device for marketing. Clinical data is sometimes required to support substantial equivalence. The PMA pathway requires an applicant to demonstrate the safety and effectiveness of the device based, in part, on extensive data, including, but not limited to, technical, preclinical, clinical trial, manufacturing and labeling data. The PMA process is typically required for devices that are deemed to pose the greatest risk, such as life-sustaining, life-supporting or implantable devices. However, some devices are automatically subject to the PMA pathway regardless of the level of risk they pose because they have not previously been classified into a lower risk class by the FDA. Manufacturers of these devices may request that FDA review such devices in accordance with the *de novo* classification procedure, which allows a manufacturer whose novel device would otherwise require the submission and approval of a PMA prior to marketing to request down-classification of the device on the basis that the device presents low or moderate risk. If the FDA agrees with the down-classification, the applicant will then receive approval to market the device. This device type can then be used as a predicate device for future 510(k) submissions. We intend to utilize the *de novo* classification procedures to seek marketing authorization for T2Dx and T2Candida. The process of obtaining regulatory clearances or approvals, or completing the *de novo* classification process, to market a medical device can be costly and time consuming, and we may not be able to successfully obtain pre-market reviews on a timely basis, if at all.

If the FDA requires us to go through a lengthier, more rigorous examination for our product candidates than we had expected, our product introductions or modifications could be delayed or canceled, which could cause our launch to be delayed or, in the future, our sales to decline. In addition, the FDA may determine that our product candidates require the more costly, lengthy and uncertain PMA process. For example, if the FDA disagrees with our determination that the *de novo* classification procedures are the appropriate path to obtain marketing authorizations for T2Dx and T2Candida product candidates, the FDA may require us to submit a PMA application, which is generally more costly and uncertain and can take from one to three years, or longer, from the time

the application is submitted to the FDA until an approval is obtained. Further, even with respect to those future products where a PMA is not required, we cannot assure you that we will be able to obtain 510(k) clearances with respect to those products.

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

- we may not be able to demonstrate to the FDA's satisfaction that our product candidates are safe and effective, sensitive and specific diagnostic tests, for their intended users;
- the data from our pre-clinical studies and clinical trials may be insufficient to support clearance or approval, where required; and
- the manufacturing process or facilities we use may not meet applicable requirements.

In addition, the FDA may change its clearance and approval policies, adopt additional regulations or revise existing regulations, or take other actions which may prevent or delay approval or clearance of our products under development or impact our ability to modify our currently approved or cleared products on a timely basis. For example, in response to industry and healthcare provider concerns regarding the predictability, consistency and rigor of the 510(k) regulatory pathway, the FDA initiated an evaluation of the program, and in January 2011, announced several proposed actions intended to reform the review process governing the clearance of medical devices. The FDA intends these reform actions to improve the efficiency and transparency of the clearance process, as well as bolster patient safety. In addition, as part of the Food and Drug Administration Safety and Innovation Act, or FDASIA, Congress reauthorized the Medical Device User Fee Amendments with various FDA performance goal commitments and enacted several "Medical Device Regulatory Improvements" and miscellaneous reforms which are further intended to clarify and improve medical device regulation both pre- and post-approval. Any delay in, or failure to receive or maintain, clearance or approval for our product candidates could prevent us from generating revenue from these product candidates and adversely affect our business operations and financial results. Additionally, the FDA and other regulatory authorities have broad enforcement powers. Regulatory enforcement or inquiries, or other increased scrutiny on us, could affect the perceived safety and efficacy of our product candidates and dissuade our customers from using our product candidates, if and when they are authorized for marketing.

Obtaining FDA clearance, *de novo* down classification, or approval for diagnostics can be expensive and uncertain, and generally takes from several months to several years, and generally requires detailed and comprehensive scientific and clinical data. Notwithstanding the expense, these efforts may never result in FDA clearance. Even if we were to obtain regulatory clearance, it may not be for the uses we believe are important or commercially attractive, in which case we would not be permitted to market our product for those uses.

Even if granted, a 510(k) clearance, *de novo* down classification, or PMA approval for any future product would likely place substantial restrictions on how our device is marketed or sold, and the FDA will continue to place considerable restrictions on our products and operations. For example, the manufacture of medical devices must comply with the FDA's Quality System Regulation, or QSR. In addition, manufacturers must register their manufacturing facilities, list the products with the FDA, and comply with requirements relating to labeling, marketing, complaint handling, adverse event and medical device reporting, reporting of corrections and removals, and import and export. The FDA monitors compliance with the QSR and these other requirements through periodic inspections. If our facilities or those of our manufacturers or suppliers are found to be in violation of applicable laws and regulations, or if we or our manufacturers or suppliers fail to

take satisfactory corrective action in response to an adverse inspection, the regulatory authority could take enforcement action, including any of the following sanctions:

- untitled letters, warning letters, fines, injunctions, consent decrees and civil penalties;
- customer notifications or repair, replacement, refunds, detention or seizure of our products;
- operating restrictions or partial suspension or total shutdown of production;
- refusing or delaying requests for 510(k) marketing clearance or PMA approvals of new products or modified products;
- withdrawing 510(k) marketing clearances or PMA approvals that have already been granted;
- refusing to provide Certificates for Foreign Government;
- refusing to grant export approval for our products; or
- pursuing criminal prosecution.

Any of these sanctions could impair our ability to produce our product candidates in a cost-effective and timely manner in order to meet our customers' demands, and could have a material adverse effect on our reputation, business, results of operations and financial condition. We may also be required to bear other costs or take other actions that may have a negative impact on our future sales and our ability to generate profits.

Sales of our diagnostic product candidates outside the United States are subject to foreign regulatory requirements governing clinical studies, vigilance reporting, marketing approval, manufacturing, product licensing, pricing and reimbursement. These regulatory requirements vary greatly from country to country. As a result, the time required to obtain approvals outside the United States may differ from that required to obtain FDA clearance and we may not be able to obtain foreign regulatory approvals on a timely basis or at all. Clearance by the FDA does not ensure approval by regulatory authorities in other countries, and approval by one foreign regulatory authority does not ensure clearance or approval by regulatory authorities in other countries or by the FDA. Foreign regulatory authorities could require additional testing. Failure to comply with these regulatory requirements, or to obtain required clearances or approvals, could impair our ability to commercialize our diagnostic product candidates outside of the United States.

Modifications to our products, if cleared or approved, may require new 510(k) clearances or pre-market approvals, or may require us to cease marketing or recall the modified products until clearances are obtained.

Any modification to a device authorized for marketing that could significantly affect its safety or effectiveness, or that would constitute a major change in its intended use, design or manufacture, requires a new 510(k) clearance or, possibly, approval of a PMA. The FDA requires every manufacturer to make this determination in the first instance, but the FDA may review any manufacturer's decision. The FDA may not agree with our decisions regarding whether new clearances or approvals are necessary. If the FDA disagrees with our determination and requires us to submit new 510(k) notifications or PMAs for modifications to previously cleared products for which we conclude that new clearances or approvals are unnecessary, we may be required to cease marketing or to recall the modified product until we obtain clearance or approval, and we may be subject to significant regulatory fines or penalties.

Furthermore, the FDA's ongoing review of the 510(k) program may make it more difficult for us to make modifications to any products for which we obtain clearance, either by imposing more strict requirements on when a manufacturer must submit a new 510(k) for a modification to a previously cleared product, or by applying more onerous review criteria to such submissions. For

example, in accordance with FDASIA, the FDA was obligated to prepare a report for Congress on the FDA's approach for determining when a new 510(k) will be required for modifications or changes to a previously cleared device. The FDA recently issued this report and indicated that manufacturers should continue to adhere to the FDA's 1997 Guidance on this topic when making a determination as to whether or not a new 510(k) is required for a change or modification to a device. However, the practical impact of the FDA's continuing scrutiny of the 510(k) program remains unclear.

If we obtain marketing authorization from the FDA, a recall of our products, either voluntarily or at the direction of the FDA, or the discovery of serious safety issues with our products that leads to corrective actions, could have a significant adverse impact on us.

The FDA and similar foreign governmental authorities have the authority to require the recall of commercialized products in the event of material deficiencies or defects in design or manufacture of a product or in the event that a product poses an unacceptable risk to health. Manufacturers may, under their own initiative, recall a product if any material deficiency in a device is found. A government-mandated or voluntary recall by us or one of our distributors could occur as a result of an unacceptable risk to health, component failures, manufacturing errors, design or labeling defects or other deficiencies and issues. Under the FDA's medical device reporting regulations, we are required to report to the FDA any incident in which our product may have caused or contributed to a death or serious injury or in which our product malfunctioned and, if the malfunction were to recur, would likely cause or contribute to death or serious injury. Repeated product malfunctions may result in a voluntary or involuntary product recall. Recalls of any of our products would divert managerial and financial resources and have an adverse effect on our reputation, results of operations and financial condition, which could impair our ability to produce our products in a cost-effective and timely manner in order to meet our customers' demands. Depending on the corrective action we take to redress a product's deficiencies or defects, the FDA may require, or we may decide, that we will need to obtain new approvals or clearances for the device before we may market or distribute the corrected device. Seeking such approvals or clearances may delay our ability to replace the recalled devices in a timely manner. Moreover, if we do not adequately address problems associated with our devices, we may face additional regulatory enforcement action, including FDA warning letters, product seizure, injunctions, administrative penalties, or civil or criminal fines. We may also be required to bear other costs or take other actions that may have a negative impact on our sales as well as face significant adverse publicity or regulatory consequences, which could harm our business, including our ability to market our products in the future.

Any adverse event involving our products could result in future voluntary corrective actions, such as recalls or customer notifications, or agency action, such as inspection, mandatory recall or other enforcement action. Any corrective action, whether voluntary or involuntary, as well as defending ourselves in a lawsuit, would require the dedication of our time and capital, distract management from operating our business and may harm our reputation and financial results.

We may rely on third parties to conduct future studies of our product candidates that may be required by the FDA or other regulatory authorities, and those third parties may not perform satisfactorily.

We may rely on third parties, including medical investigators, to conduct such studies. Our reliance on these third parties for clinical development activities will reduce our control over these activities. These third parties may not complete activities on schedule or conduct studies in accordance with regulatory requirements or our study design. If applicable, our reliance on third parties that we do not control will not relieve us of any applicable requirement to prepare, and

ensure compliance with, various procedures required under good clinical practices. If these third parties do not successfully carry out their contractual duties or regulatory obligations or meet expected deadlines, if the third parties need to be replaced or if the quality or accuracy of the data they obtain is compromised due to their failure to adhere to our clinical protocols or regulatory requirements or for other reasons, our studies may be extended, delayed, suspended or terminated, and we may not be able to obtain marketing authorization from the FDA or regulatory clearance for our product candidates.

Our future customers are highly dependent on payment from third-party payors, and inadequate coverage and reimbursement for diagnostic tests using our technology or procedures using our product candidates and the commercial success of our diagnostic product candidates would be compromised.

Successful commercialization of our diagnostic product candidates depends, in large part, to the extent the costs of our product candidates purchased by our customers are reimbursed, either separately or through bundled payment, by third-party private and governmental payors, including Medicare, Medicaid, managed care organizations and private insurance plans. There is significant uncertainty surrounding third-party coverage and reimbursement for the use of tests that incorporate new technology, such as T2MR.

Hospitals, clinical laboratories and other healthcare provider customers that may purchase our product candidates, if approved, generally bill various third-party payors to cover all or a portion of the costs and fees associated with diagnostic tests, including the cost of the purchase of our product candidates. We currently expect that the majority of our diagnostic tests will be performed in a hospital inpatient setting, where governmental payors, such as Medicare, generally reimburse hospitals a single bundled payment that is based on the patients' diagnosis under a classification system known as the Medicare severity diagnosis-related groups, classification for all items and services provided to the patient during a single hospitalization, regardless of whether our diagnostic tests are performed during such hospitalization. To the extent that our diagnostic tests will be performed in an outpatient setting, our product candidates may be eligible for separate payment, for example, under the Clinical Laboratory Fee Schedule using existing Current Procedural Terminology codes. Third-party payors may deny coverage, however, if they determine that the diagnostic tests using our products are not cost-effective compared to the use of alternative testing methods as determined by the payor, or is deemed by the third-party payor to be experimental or medically unnecessary. Even if third-party payors make coverage and reimbursement available, such reimbursement may not be adequate or these payors' reimbursement policies may have an adverse effect on our business, results of operations, financial condition and cash flows.

Our customers' access to adequate coverage and reimbursement for inpatient procedures using our product candidates by government and private insurance plans is central to the acceptance of our products. We cannot predict at this time the adequacy of payments, whether made separately in an outpatient setting or with a bundled payment amount in an inpatient setting. We may be unable to sell our products, if approved, on a profitable basis if third-party payors deny coverage or reduce their current levels of payment, or if our costs of production increase faster than increases in reimbursement levels.

In many countries outside of the United States, various coverage, pricing and reimbursement approvals are required. We expect that it will take several years to establish broad coverage and reimbursement for testing services based on our products with payors in countries outside of the United States, and our efforts may not be successful.

We may be subject, directly or indirectly, to federal and state healthcare fraud and abuse laws and other federal and state laws applicable to our business activities. If we are unable to comply, or have not complied, with such laws, we could face substantial penalties.

Our operations are, and will continue to be, directly or indirectly subject to various federal and state fraud and abuse laws, including, without limitation, the federal and state anti-kickback statutes, physician payment transparency laws and false claims laws. These laws may impact, among other things, our proposed sales and marketing and education programs and require us to implement additional internal systems for tracking certain marketing expenditures and reporting them to government authorities. In addition, we may be subject to patient privacy and security regulation by both the federal government and the states in which we conduct our business. The laws that may affect our ability to operate include:

- the federal Anti-Kickback Statute, which prohibits, among other things, persons or entities from knowingly or willfully soliciting, receiving, offering or paying any remuneration, directly or indirectly, overtly or covertly, in cash or in kind, in return for or to induce either the referral of an individual for, or the purchase, lease, order or recommendation of, any good, facility, item or services for which payment may be made, in whole or in part, under a federal healthcare program such as the Medicare and Medicaid programs;

- federal false claims laws, which prohibit, among other things, individuals or entities from knowingly presenting, or causing to be presented, claims for payment from or approval by a governmental payor program that are false or fraudulent;

- the federal Health Insurance Portability and Accountability Act of 1996, or HIPAA, which established new federal crimes for, among other things, knowingly and willfully executing, or attempting to execute, a scheme to defraud any healthcare benefit program or making materially false statements in connection with the delivery of or payment for healthcare benefits, items or services;

- HIPAA, as amended by the Health Information Technology for Economic and Clinical Health Act, which governs the conduct of certain electronic healthcare transactions and protects the security and privacy of protected health information;

- the federal physician sunshine requirements under the Patient Protection and Affordable Care Act, as amended by the Health Care and Education Reconciliation Act, or collectively, ACA, which requires manufacturers of drugs, devices, biologicals, and medical supplies to report annually to the CMS information related to payments and other transfers of value to physicians and teaching hospitals, and ownership and investment interests held by physicians and their immediate family members; and

- state or foreign law equivalents of each of the above federal laws, such as anti-kickback and false claims laws, which may apply to items or services reimbursed by any third-party payor, including commercial insurers; state laws that require device companies to comply with the industry's voluntary compliance guidelines and the applicable compliance guidance promulgated by the federal government, or otherwise restrict payments that may be made to healthcare providers and other potential referral sources; state laws that require manufacturers to report information related to payments and other transfers of value to physicians, hospitals and other healthcare providers or marketing expenditures; and state laws governing the privacy and security of health information in certain circumstances, many of which differ from each other in significant ways, thus complicating compliance efforts.

Because of the breadth of these laws and the narrowness of the statutory exceptions and safe harbors available, it is possible that some of our business activities could be subject to challenge under one or more of such laws. In addition, recent healthcare reforms have strengthened these

laws. For example, the ACA, among other things, amends the intent requirement of the federal anti-kickback statute. A person or entity no longer needs to have actual knowledge of the statute or specific intent to violate it. The ACA codified case law by amending the False Claims Act, such that violations of the anti-kickback statute are now deemed violations of the False Claims Act.

If our operations are found to be in violation of any of the laws described above or any other governmental regulations that apply to us, we may be subject to penalties, including administrative, civil and criminal penalties, damages, fines, disgorgement, the curtailment or restructuring of our operations, the exclusion from participation in federal and state healthcare programs and individual imprisonment, any of which could adversely affect our ability to operate our business and our results of operations.

Healthcare policy changes, including legislation reforming the United States healthcare system, may have a material adverse effect on our financial condition and results of operations.

The ACA, enacted in March 2010, makes changes that are expected to significantly impact the pharmaceutical and medical device industries and clinical laboratories. Since 2013, certain medical device manufacturers have had to pay an excise tax in an amount equal to 2.3% of the price for which such manufacturer sells its medical devices. We expect that the excise tax will apply to some or all of our diagnostic product candidates. The ACA also mandates a reduction in payments for clinical laboratory services paid under the Medicare Clinical Laboratory Fee Schedule, or CLFS, of 1.75% for the years 2011 through 2015 and a productivity adjustment to the CLFS, further reducing payment rates. Some commercial payors are guided by the CLFS in establishing their reimbursement rates. Clinicians may decide not to order clinical diagnostic tests if third-party payments are inadequate, and we cannot predict whether third-party payors will offer adequate reimbursement for procedures utilizing our product candidates to make them commercially attractive. To the extent that the diagnostic tests using our product candidates are performed on an outpatient basis, these or any future proposed or mandated reductions in payments under the CLFS may apply to some or all of the clinical laboratory tests that our diagnostics customers may use our technology to deliver to Medicare beneficiaries and may indirectly reduce demand for our diagnostic product candidates.

Other significant measures contained in the ACA include coordination and promotion of research on comparative clinical effectiveness of different technologies and procedures, initiatives to revise Medicare payment methodologies, such as bundling of payments across the continuum of care by providers and physicians, and initiatives to promote quality indicators in payment methodologies. The ACA also includes significant new fraud and abuse measures, including required disclosures of financial arrangements with physician customers, lower thresholds for violations and increasing potential penalties for such violations. In addition, the ACA establishes an Independent Payment Advisory Board, or IPAB, to reduce the per capita rate of growth in Medicare spending. The IPAB has broad discretion to propose policies to reduce healthcare expenditures, which may have a negative impact on payment rates for services, including our tests. The IPAB proposals may impact payments for clinical laboratory services that our diagnostics customers use our technology to deliver beginning in 2016, and for hospital services beginning in 2020, and may indirectly reduce demand for our diagnostic product candidates. To the extent that the reimbursement amounts for sepsis decrease, it could adversely affect the market acceptance and hospital adoption of our technologies.

In addition, other legislative changes have been proposed and adopted in the United States since the ACA was enacted. On August 2, 2011, the Budget Control Act of 2011, among other things, created measures for spending reductions by Congress. A Joint Select Committee on Deficit Reduction, tasked with recommending a targeted deficit reduction of at least $1.2 trillion for the

years 2013 through 2021, was unable to reach required goals, thereby triggering the legislation's automatic reduction to several government programs. This includes aggregate reductions to Medicare payments to providers of 2% per fiscal year, which went into effect on April 1, 2013 and will stay in effect through 2014 unless additional Congressional action is taken. On January 2, 2013, the American Taxpayer Relief Act of 2012 was signed into law, which, among other things, further reduced Medicare payments to several providers, including hospitals, imaging centers and cancer treatment centers, and increased the statute of limitations period for the government to recover overpayments to providers from three to five years.

The full impact on our business of the ACA and the other new laws is uncertain. Nor is it clear whether other legislative changes will be adopted or how such changes would affect our industry generally or our ability to successfully commercialize our product candidates, if approved. Changes in healthcare policy, such as the creation of broad test utilization limits for diagnostic products in general or requirements that Medicare patients pay for portions of clinical laboratory tests or services received, could substantially impact the sales of our tests, increase costs and divert management's attention from our business. Such co-payments by Medicare beneficiaries for laboratory services were discussed as possible cost savings for the Medicare program as part of the debt ceiling budget discussions in mid-2011 and may be enacted in the future. In addition, sales of our tests outside of the United States will subject us to foreign regulatory requirements, which may also change over time.

We cannot predict whether future healthcare initiatives will be implemented at the federal or state level or in countries outside of the United States in which we may do business, or the effect any future legislation or regulation will have on us. The taxes imposed by the new federal legislation and the expansion in government's effect on the United States healthcare industry may result in decreased profits to us, lower reimbursements by payors for our product candidates or reduced medical procedure volumes, all of which may adversely affect our business, financial condition and results of operations.

Risks Related to Intellectual Property

If we are unable to protect our intellectual property effectively, our business would be harmed.

We rely on patent protection as well as trademark, copyright, trade secret protection and confidentiality agreements to protect the intellectual property rights related to our proprietary technologies. The strength of patents in our field involves complex legal and scientific questions. Uncertainty created by these questions means that our patents may provide only limited protection and may not adequately protect our rights or permit us to gain or keep any competitive advantage. We own or exclusively license 19 issued U.S. patents and 31 pending U.S. patent applications, including provisional and non-provisional filings. We also own or license 63 pending or granted counterpart applications worldwide. If we fail to protect our intellectual property, third parties may be able to compete more effectively against us and we may incur substantial litigation costs in our attempts to recover or restrict use of our intellectual property.

We cannot assure you that any of our currently pending or future patent applications will result in issued patents with claims that cover our products and technologies in the United States or in other foreign countries, and we cannot predict how long it will take for such patents to be issued. Further, issuance of a patent is not conclusive as to its inventorship or scope, and there is no guarantee that our issued patents will include claims that are sufficiently broad to cover our technologies or to provide meaningful protection from our competitors. Further, we cannot be certain that all relevant prior art relating to our patents and patent applications has been found. Accordingly, there may be prior art that can invalidate our issued patents or prevent a patent from

issuing from a pending patent application, at all or with claims that have a scope broad enough to provide meaningful protection from our competitors.

Even if patents do successfully issue and even if such patents cover our products and technologies, we cannot assure you that other parties will not challenge the validity, enforceability or scope of such issued patents in the United States and in foreign countries, including by proceedings such as reexamination, inter-partes review, interference, opposition, or other patent office or court proceedings. Moreover, we cannot assure you that if such patents were challenged in court or before a regulatory agency that the patent claims will be held valid, enforceable, to be sufficiently broad to cover our technologies or to provide meaningful protection from our competitors. Nor can we assure you that the court or agency will uphold our ownership rights in such patents. Accordingly, we cannot guarantee that we will be successful in defending challenges made against our patents and patent applications. Any successful third-party challenge to our patents could result in the unenforceability or invalidity of such patents, or narrowing of clam scope, such that we could be deprived of patent protection necessary for the successful commercialization of our products and technologies, which could adversely affect our business.

Furthermore, even if they are unchallenged, our patents and patent applications may not adequately protect our intellectual property, provide exclusivity for our products and technologies or prevent others from designing around our claims. Others may independently develop similar or alternative products and technologies or duplicate any of our products and technologies. These products and technologies may not be covered by claims of issued patents owned by our company. Any of these outcomes could impair our ability to prevent competition from third parties, which may have an adverse impact on our business. In addition, competitors could purchase our products and attempt to replicate some or all of the competitive advantages we derive from our development efforts, willfully infringe our intellectual property rights, design around our protected technology or develop their own competitive technologies that fall outside of the protections provided by our intellectual property rights. If our intellectual property, including licensed intellectual property, does not adequately protect our market position against competitors' products and methods, our competitive position could be adversely affected, as could our business.

Further, if we encounter delays in regulatory approvals, the period of time during which we could market a product candidate under patent protection could be reduced. Since patent applications in the United States and most other countries are confidential for a period of time after filing, and some remain so until issued, we cannot be certain that we were the first to make the inventions covered by our pending patent applications, or that we were the first to file any patent application related to a product candidate. Furthermore, if third parties have filed such patent applications, an interference proceeding in the United States can be initiated by a third party to determine who was the first to invent any of the subject matter covered by the patent claims of our applications. In addition, patents have a limited lifespan. In the United States, the natural expiration of a patent is generally 20 years after it is filed. Various extensions may be available; however the life of a patent, and the protection it affords, is limited.

Further, the laws of some foreign countries do not protect proprietary rights to the same extent or in the same manner as the laws of the United States. As a result, we may encounter significant problems in protecting and defending our intellectual property both in the United States and abroad. If we are unable to prevent material disclosure of the non-patented intellectual property related to our technologies to third parties, and there is no guarantee that we will have any such enforceable trade secret protection, we may not be able to establish or maintain a competitive advantage in our market, which could materially adversely affect our business, results of operations and financial condition.

We depend on certain technologies that are licensed to us. We do not control the intellectual property rights covering these technologies and any loss of our rights to these technologies or the rights licensed to us could prevent us from selling our products.

We are a party to a number of license agreements under which we are granted rights to intellectual property that is important to our business and we expect that we may need to enter into additional license agreements in the future. We rely on these licenses in order to be able to use various proprietary technologies that are material to our business, including an exclusive license to patents and patent applications from Massachusetts General Hospital, or MGH, and non-exclusive licenses from other third parties related to materials used currently in our research and development activities, and which we intend to use in our future commercial activities. Our rights to use these technologies and employ the inventions claimed in the licensed patents are subject to the continuation of and our compliance with the terms of those licenses. Our existing license agreements impose, and we expect that future license agreements will impose on us, various diligence obligations, payment of milestones or royalties and other obligations. If we fail to comply with our obligations under these agreements, or we are subject to a bankruptcy, the licensor may have the right to terminate the license, in which event we would not be able to market products covered by the license.

As we have done previously, we may need to obtain licenses from third parties to advance our research or allow commercialization of our products and technologies, and we cannot provide any assurances that third-party patents do not exist which might be enforced against our current products and technologies or future products in the absence of such a license. We may fail to obtain any of these licenses on commercially reasonable terms, if at all. Even if we are able to obtain a license, it may be non-exclusive, thereby giving our competitors access to the same technologies licensed to us. In that event, we may be required to expend significant time and resources to develop or license replacement technology. If we are unable to do so, we may be unable to develop or commercialize the affected products and technologies, which could materially harm our business and the third parties owning such intellectual property rights could seek either an injunction prohibiting our sales, or, with respect to our sales, an obligation on our part to pay royalties or other forms of compensation.

In some cases, we do not control the prosecution, maintenance, or filing of the patents that are licensed to us, or the enforcement of these patents against infringement by third parties. Some of our patents and patent applications were not filed by us, but were either acquired by us or are licensed from third parties. Thus, these patents and patent applications were not drafted by us or our attorneys, and we did not control or have any input into the prosecution of these patents and patent applications either prior to our acquisition of, or entry into a license with respect to, such patents and patent applications. With respect to the patents we license from MGH, although we have rights under our agreement to provide input into prosecution and maintenance activities, and are actively involved in such ongoing prosecution, ultimately MGH retains ultimate control over such prosecution and maintenance. We therefore cannot be certain that the same attention was given, or will continue to be given, to the drafting and prosecution of these patents and patent applications as we may have exercised if we had control over the drafting and prosecution of such patents and patent applications, or that we will agree with decisions taken by MGH in relation to ongoing prosecution activities. We also cannot be certain that drafting or prosecution of the patents and patent applications licensed to us have been or will be conducted in compliance with applicable laws and regulations or will result in valid and enforceable patents. Further, as MGH retains the right to enforce these patents against third-party infringement, we cannot be certain that MGH will elect to enforce these patents to the extent that we would choose to do so, or in a way that will ensure that we retain the rights we currently have under our license with MGH. If MGH fails to properly

enforce the patents subject to our license in the event of third-party infringement, our ability to retain our competitive advantage with respect to our product candidates may be materially affected.

In addition, certain of the patents we have licensed relate to technology that was developed with U.S. government grants. Federal regulations impose certain domestic manufacturing requirements and other obligations with respect to some of our products embodying these patents.

Licensing of intellectual property is of critical importance to our business and involves complex legal, business and scientific issues. Disputes may arise between us and our licensors regarding intellectual property subject to a license agreement, including:

- the scope of rights granted under the license agreement and other interpretation-related issues;
- whether and the extent to which our technology and processes infringe on intellectual property of the licensor that is not subject to the licensing agreement;
- our right to sublicense patent and other rights to third parties under collaborative development relationships;
- our diligence obligations with respect to the use of the licensed technology in relation to our development and commercialization of our products and technologies, and what activities satisfy those diligence obligations; and
- the ownership of inventions and know-how resulting from the joint creation or use of intellectual property by our licensors and us and our partners.

If disputes over intellectual property that we have licensed prevent or impair our ability to maintain our current licensing arrangements on acceptable terms, we may be unable to successfully develop and commercialize the affected products and technologies.

We may be involved in lawsuits to protect or enforce our patents and proprietary rights, to determine the scope, enforceability and validity of others' proprietary rights, or to defend against third-party claims of intellectual property infringement, any of which could be time-intensive and costly and may adversely impact our business or stock price.

Our commercial success depends in part on our avoiding infringement of the patents and proprietary rights of third parties. There is a substantial amount of litigation, both within and outside the United States, involving patent and other intellectual property rights in the medical device and diagnostics industries, including patent infringement lawsuits, interferences, oppositions and inter partes review proceedings before the U.S. Patent and Trademark Office, or U.S. PTO, and corresponding foreign patent offices. While we have not received notices of claims of infringement or misappropriation or misuse of other parties' proprietary rights in the past, we may from time to time receive such notices in the future. Some of these claims may lead to litigation. Third parties may assert that we are employing their proprietary technology without authorization. There may be third-party patents or patent applications with claims to materials, methods of manufacture or methods of use of our products and technologies. Because patent applications can take many years to issue, third parties may have currently pending patent applications which may later result in issued patents that our products and technologies may infringe, or which such third parties claim are infringed by the use of our technologies. We cannot assure you that we will prevail in such actions, or that other actions alleging misappropriation or misuse by us of third-party trade secrets or infringement by us of third-party patents, trademarks or other rights, or challenging the validity of our patents, trademarks or other rights, will not be asserted against us.

Litigation may be necessary for us to enforce our patent and proprietary rights or to determine the scope, enforceability or validity of the proprietary rights of others. There has been substantial

litigation and other proceedings regarding patent and other intellectual property rights in the medical diagnostics industry. Third parties may assert that we are employing their proprietary technology without authorization. Many of our competitors have significantly larger and more mature patent portfolios than we currently have. In addition, future litigation may involve patent holding companies or other adverse patent owners who have no relevant product revenue and against whom our own patents may provide little or no deterrence or protection. Parties making claims against us for infringement of their intellectual property rights may obtain injunctive or other equitable relief, which could effectively block our ability to further develop and commercialize one or more of our products and technologies. Further, defense of such claims in litigation, regardless of merit, could result in substantial legal fees and could adversely affect the scope of our patent protection, and would be a substantial diversion of employee, management and technical personnel resources from our business. The outcome of any litigation or other proceeding is inherently uncertain and might not be favorable to us. In the event of a successful claim of infringement against us, we could be required to redesign our infringing products or obtain a license from such third party to continue developing and commercializing our products and technology. However, we may not be able to obtain any required license on commercially reasonable terms, or at all. Even if we are able to obtain a license, it may be non-exclusive, thereby giving our competitors access to the same technologies licensed to us. We could therefore incur substantial costs for licenses obtained from third parties, if such licenses were available at all, which could negatively affect our gross margins, or prevent us from commercializing our products and technologies. Further, we could encounter delays in product introductions, or interruptions in product sales, as we develop alternative methods or products to avoid infringing third-party rights. In addition, if we resort to legal proceedings to enforce our intellectual property rights or to determine the validity, enforceability or scope of the intellectual property or other proprietary rights of others, the proceedings could be burdensome and expensive, even if we were to prevail. Any litigation that may be necessary in the future could result in substantial costs and diversion of resources and could have a material adverse effect on our business, operating results or financial condition. Further, if the scope of protection provided by our patents or patent applications is threatened or reduced as a result of litigation, it could discourage third parties from entering into collaborations with us that are important to the commercialization of our products.

We cannot guarantee that we have identified all relevant third-party intellectual property rights that may be infringed by our technology, nor is there any assurance that patents will not issue in the future from currently pending applications that may be infringed by our technology or product candidates. We are aware of third parties that have issued patents and pending patent applications in the United States, Europe, Canada, and other jurisdictions in the field of magnetic resonance devices and methods for analyte detection. We currently monitor the intellectual property positions of some companies in this field that are potential competitors or are conducting research and development in areas that relate to our business, and will continue to do so as we progress the development and commercialization of our product candidates. We cannot assure you that third parties will not in the future have issued patents or other intellectual property rights that may be infringed by the practice of our technology or the commercialization of our product candidates.

Furthermore, because of the substantial amount of discovery required in connection with intellectual property litigation, there is a risk that some of our confidential information could be compromised by disclosure during this type of litigation. In addition, during the course of this kind of litigation, there could be public announcements of the results of hearings, motions or other interim proceedings or developments. If securities analysts or you perceive these results to be negative, it could have a substantial adverse effect on the price of our common stock.

In addition, certain of our agreements with suppliers, distributors, customers and other entities with whom we do business require us to defend or indemnify these parties to the extent they

become involved in infringement claims relating to our technologies or products, or rights licensed to them by us. We could also voluntarily agree to defend or indemnify third parties in instances where we are not obligated to do so if we determine it would be important to our business relationships. If we are required or agree to defend or indemnify any of these third parties in connection with any infringement claims, we could incur significant costs and expenses that could adversely affect our business, operating results, or financial condition.

If we are unable to protect the confidentiality of our trade secrets, our business and competitive position would be harmed.

In addition to pursuing patents on our technology, we also rely on trade secret protection and confidentiality agreements to protect proprietary know-how that is not patentable or that we elect not to patent, processes for which patents are difficult to enforce and any other elements of our products and technologies and discovery and development processes that involve proprietary know-how, information or technology that is not covered by patents, in order to maintain our competitive position. We take steps to protect our intellectual property, proprietary technologies and trade secrets, in part, by entering into confidentiality agreements with our employees, consultants, corporate partners, advisors and other third parties. We also enter into confidentiality and invention or patent assignment agreements with our employees and consultants that obligate them to assign to us any inventions developed in the course of their work for us. We also seek to preserve the integrity and confidentiality of our data and trade secrets by maintaining physical security of our premises and physical and electronic security of our information technology systems. While we have confidence in these individuals, organizations and systems, agreements or security measures may be breached, and we may not have adequate remedies for any breach. In addition, our trade secrets may otherwise become known or be independently discovered by competitors. Our agreements may not be enforceable or may not provide meaningful protection for our trade secrets or other proprietary information in the event of unauthorized use or disclosure or other breaches of the agreements, and we may not be able to prevent such unauthorized disclosure. Monitoring unauthorized disclosure is difficult, and we do not know whether the steps we have taken to prevent such disclosure are, or will be, adequate. If we were to enforce a claim that a third party had illegally obtained and was using our trade secrets, it would be expensive and time consuming, and the outcome would be unpredictable. Enforcing a claim that a party illegally disclosed or misappropriated a trade secret is difficult, expensive and time-consuming, and the outcome is unpredictable. In addition, courts outside the United States may be less willing to protect trade secrets. If any of the technology or information that we protect as trade secrets were to be lawfully obtained or independently developed by a competitor, we would have no right to prevent them from using that technology or information to compete with us. Misappropriation or unauthorized disclosure of our trade secrets could impair our competitive position and may have a material adverse effect on our business. Additionally, if the steps taken to maintain our trade secrets are deemed inadequate, we may have insufficient recourse against third parties for misappropriating the trade secret. In addition, others may independently discover our trade secrets and proprietary information. For example, the FDA, as part of its Transparency Initiative, is currently considering whether to make additional information publicly available on a routine basis, including information that we may consider to be trade secrets or other proprietary information, and it is not clear at the present time how the FDA's disclosure policies may change in the future, if at all.

We may be subject to damages resulting from claims that we or our employees, consultants or independent contractors have wrongfully used or disclosed confidential information of third parties or that our employees have wrongfully used or disclosed alleged trade secrets of their former employers.

Many of our employees were previously employed at universities or other medical device companies, including our competitors or potential competitors. Although we seek to protect our ownership of intellectual property rights by ensuring that our agreements with our employees, collaborators and other third parties with whom we do business include provisions requiring such parties to assign rights in inventions to us, we may also be subject to claims that former employees, collaborators or other third parties have an ownership interest in our patents or other intellectual property. Although no claims against us are currently pending, we may be subject to claims that these employees or we have inadvertently or otherwise used or disclosed trade secrets or other proprietary information of our employees' former employers, or we may be subject to ownership disputes in the future arising, for example, from conflicting obligations of consultants or others who are involved in developing our products and technologies. Litigation may be necessary to defend against these claims. If we fail in defending such claims, in addition to paying monetary damages, we may lose valuable intellectual property rights or personnel, which could hamper our ability to commercialize certain potential products, which could severely harm our business. Even if we are successful in defending against these claims, litigation could result in substantial costs and be a distraction to management.

We may be subject to claims challenging the inventorship or ownership of our patents and other intellectual property.

We may also be subject to claims that former employees, collaborators or other third parties have an ownership interest in our patents or other intellectual property. We may be subject to ownership disputes in the future arising, for example, from conflicting obligations of consultants or others who are involved in developing our products and technologies. Litigation may be necessary to defend against these and other claims challenging inventorship or ownership. If we fail in defending any such claims, in addition to paying monetary damages, we may lose valuable intellectual property rights, such as exclusive ownership of, or right to use, valuable intellectual property. Such an outcome could have a material adverse effect on our business. Even if we are successful in defending against such claims, litigation could result in substantial costs and be a distraction to management and other employees.

Recent patent reform legislation could increase the uncertainties and costs surrounding the prosecution of our patent applications and the enforcement or defense of our issued patents.

On September 16, 2011, the Leahy-Smith America Invents Act, or the Leahy-Smith Act, was signed into law. The Leahy-Smith Act includes a number of significant changes to U.S. patent law, including provisions that affect the way patent applications will be prosecuted and may also affect patent litigation. The U.S. PTO is currently developing regulations and procedures to govern administration of the Leahy-Smith Act, and many of the substantive changes to patent law associated with the Leahy-Smith Act, and in particular, the first to file provisions, were enacted March 16, 2013. However, it is not clear what, if any, impact the Leahy-Smith Act will have on the operation of our business. However, the Leahy-Smith Act and its implementation could increase the uncertainties and costs surrounding the prosecution of our patent applications and the enforcement or defense of our issued patents, all of which could have a material adverse effect on our business and financial condition.

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

Periodic maintenance fees, renewal fees, annuity fees and various other governmental fees on patents and applications will be due to be paid to the U.S. PTO and various governmental patent agencies outside of the United States in several stages over the lifetime of the patents and applications. We have systems in place to remind us to pay these fees, and we employ an outside firm and rely on our outside counsel to pay these fees due to non-U.S. patent agencies. The U.S. PTO and various foreign governmental patent agencies require compliance with a number of procedural, documentary, fee payment and other provisions during the patent process. We employ reputable law firms and other professionals to help us comply, and in many cases, an inadvertent lapse can be cured by payment of a late fee or by other means in accordance with the applicable rules, however there are situations in which noncompliance can result in abandonment or lapse of a patent or patent application, resulting in partial or complete loss of patent rights in the relevant jurisdiction. In such an event, competitors might be able to enter the market earlier than would otherwise have been the case.

If our trademarks and trade names are not adequately protected, we may not be able to build name recognition in our markets of interest, and our business may be adversely affected.

We have not yet registered certain of our trademarks, including T2Biosystems, T2Candida and T2HemoStat, in all of our potential markets, including in international markets. If we apply to register these trademarks, our applications may not be allowed for registration, and our registered trademarks may not be maintained or enforced. In addition, opposition or cancellation proceedings may be filed against our trademark applications and registrations, and our trademarks may not survive such proceedings. If we do not secure registrations for our trademarks, we may encounter more difficulty in enforcing them against third parties than we otherwise would. Our registered or unregistered trademarks or trade names may be challenged, infringed, circumvented or declared generic or determined to be infringing on other marks. We may not be able to protect our rights to these trademarks and trade names, which we need to build name recognition by potential partners or customers in our markets of interest. Over the long term, if we are unable to establish name recognition based on our trademarks and trade names, then we may not be able to compete effectively and our business may be adversely affected.

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

The laws of some non-U.S. countries do not protect intellectual property rights to the same extent as the laws of the United States, and many companies have encountered significant problems in protecting and defending such rights in foreign jurisdictions. The legal systems of certain countries, particularly certain developing countries, do not favor the enforcement of patents and other intellectual property protection, particularly those relating to technologies relating to biotechnology, which could make it difficult for us to stop the infringement of our patents. Proceedings to enforce our patent rights in foreign jurisdictions could result in substantial cost and divert our efforts and attention from other aspects of our business. Also, because we have not pursued patents in all countries, there exist jurisdictions where we are not protected against third parties using our proprietary technologies. Further, compulsory licensing laws or limited enforceability of patents against government agencies or contractors in certain countries may limit our remedies or reduce the value of our patents in those countries.

We use third-party software that may be difficult to replace or cause errors or failures of our product candidates that could lead to lost customers or harm to our reputation.

We use software licensed from third parties in our product candidates. In the future, this software may not be available to us on commercially reasonable terms, or at all. Any loss of the right to use any of this software could result in delays in the production of our product candidates until equivalent technology is either developed by us, or, if available, is identified, obtained and integrated with our technologies and products, which could harm our business. In addition, any errors or defects in, or failures of, such third-party software could result in errors or defects in the operation of our product candidates or cause our product candidates to fail, which could harm our business and reputation and be costly to correct. Many of the licensors of the software we use in our product candidates attempt to impose limitations on their liability for such errors, defects or failures. If enforceable, such limitations would require us to bear the liability for such errors, defects or failures, which could harm our reputation and increase our operating costs.

Intellectual property rights do not necessarily address all potential threats to our competitive advantage.

The degree of future protection afforded by our intellectual property rights is uncertain because intellectual property rights have limitations, and may not adequately protect our business, or permit us to maintain our competitive advantage. The following examples are illustrative:

- others may be able to make diagnostic products and technologies that are similar to our product candidates but that are not covered by the claims of the patents that we own or have exclusively licensed;
- we or our licensors or future collaborators might not have been the first to make the inventions covered by the issued patent or pending patent application that we own or have exclusively licensed;
- we or our licensors or future collaborators might not have been the first to file patent applications covering certain of our inventions;
- others may independently develop similar or alternative technologies or duplicate any of our technologies without infringing our intellectual property rights;
- it is possible that our pending patent applications will not lead to issued patents;
- issued patents that we own or have exclusively licensed may be held invalid or unenforceable, as a result of legal challenges by our competitors;
- our competitors might conduct research and development activities in countries where we do not have patent rights and then use the information learned from such activities to develop competitive products for sale in our major commercial markets;
- we may not develop additional proprietary technologies that are patentable; and
- the patents of others may have an adverse effect on our business.

Should any of these events occur, they could significantly harm our business, results of operations and prospects.

Risks Related to Our Common Stock and this Offering

One of the underwriters has an interest in this offering beyond the customary underwriting discounts and, accordingly, this offering will be made in accordance with FINRA Rule 5121 with Morgan Stanley & Co. LLC acting as "qualified independent underwriter".

Certain affiliates of Goldman, Sachs & Co., an underwriter of this offering, beneficially own approximately 18.1% of our common stock as of June 30, 2014, and are together entitled to designate one member of our board of directors prior to the closing of this offering. As a result, Goldman, Sachs & Co. is deemed to have a "conflict of interest" within the meaning of FINRA Rule 5121. Accordingly, this offering will be made in compliance with the applicable provisions of FINRA Rule 5121. FINRA Rule 5121 prohibits Goldman, Sachs & Co. from making sales to discretionary accounts without the prior written approval of the account holder and requires that a "qualified independent underwriter," as defined in FINRA Rule 5121, participate in the preparation of the registration statement and exercise its usual standards of due diligence with respect thereto. Morgan Stanley & Co. LLC has agreed to act as "qualified independent underwriter" for this offering. Although the "qualified independent underwriter" has participated in the preparation of this registration statement and conducted due diligence, we cannot assure you that this will adequately address any potential conflict of interest. See "Underwriting (Conflict of Interest)".

After this offering, our executive officers, directors and principal stockholders, if they choose to act together, will continue to have the ability to control all matters submitted to stockholders for approval.

Upon the closing of this offering, our executive officers, directors and stockholders who owned more than 5% of our outstanding common stock before this offering and their respective affiliates will, in the aggregate, hold shares representing approximately 68% of our outstanding voting stock, not reflecting any shares that may be purchased by them in this offering. As a result, if these stockholders were to choose to act together, they would be able to control or significantly influence all matters submitted to our stockholders for approval, as well as our management and affairs. For example, these persons, if they choose to act together, would control or significantly influence the election of directors and approval of any merger, consolidation or sale of all or substantially all of our assets. This concentration of ownership control may:

- delay, defer or prevent a change in control;
- entrench our management and the board of directors; or
- impede a merger, consolidation, takeover or other business combination involving us that other stockholders may desire.

Certain entities affiliated with our 5% stockholders have indicated an interest in purchasing shares in this offering. If these entities were to purchase all of the shares they have indicated an interest in purchasing in this offering, assuming an initial public offering price of $16.00 per share, which is the midpoint of the price range set forth on the cover page of this prospectus, they would purchase an aggregate of approximately 1,036,500 shares, and as a result the percentage of our outstanding voting power represented by shares held by our executive officers, directors and 5% stockholders upon the closing of this offering would increase to approximately 75%.

If you purchase shares of common stock in this offering, you will suffer immediate dilution of your investment.

The initial public offering price of our common stock will be substantially higher than the net tangible book value per share of our common stock. Therefore, if you purchase shares of our common stock in this offering, you will pay a price per share that substantially exceeds our net

tangible book value per share after this offering. To the extent shares subsequently are issued under outstanding stock options, you will incur further dilution. Based on an assumed initial public offering price of $16.00 per share, which is the midpoint of the price range set forth on the cover page of this prospectus, you will experience immediate dilution of $11.85 per share, representing the difference between our pro forma net tangible book value per share, after giving effect to this offering, and the assumed initial public offering price. In addition, purchasers of common stock in this offering will have contributed approximately 40% of the aggregate price paid by all purchasers of our stock but will own only approximately 22% of our common stock outstanding after this offering.

An active trading market for our common stock may not develop.

Prior to this offering, there has been no public market for our common stock. The initial public offering price for our common stock will be determined through negotiations with the underwriters. Although we have applied to have our common stock approved for listing on The NASDAQ Global Market, an active trading market for our shares may never develop or be sustained following this offering. If an active market for our common stock does not develop, it may be difficult for you to sell shares you purchase in this offering without depressing the market price for the shares or at all.

Certain of our existing stockholders and their affiliated entities, including Aisling Capital and affiliates of Goldman, Sachs & Co., have indicated an interest to purchase up to $17 million in shares of our common stock in this offering at the initial public offering price. To the extent these existing stockholders are allocated and purchase shares in this offering, such purchases may reduce the available public float for our shares because these stockholders will be restricted from selling the shares by restrictions under applicable securities laws and contractual agreements described in the "Shares Eligible for Future Sale" section of this prospectus. As a result, the liquidity of our common stock could be significantly reduced from what it would have been if these shares had been purchased by investors that were not affiliated with us.

Certain participants in our directed share program must hold their shares for a minimum of 180 days following the date of the final prospectus related to this offering and accordingly will be subject to market risks not imposed on other investors in the offering.

At our request, the underwriters have reserved up to 200,000 shares of the common stock offered hereby for sale to our directors, officers, employees, business associates and related persons. Purchasers of these shares who have entered into a lockup agreement with the underwriters in connection with this offering will be required to agree that they will not, subject to exceptions, offer, sell, contract to sell or otherwise dispose of or hedge any such shares for a period of 180 days after the date of the final prospectus relating to this offering. As a result of the lockup restriction, these purchasers may face risks not faced by other investors who have the right to sell their shares at any time following the offering. These risks include the market risk of holding our shares during the period that such restrictions are in effect. In addition, the price of our common stock may decrease following the expiration of the lockup period if there is an increase in the number of shares for sale in the market.

The price of our common stock may be volatile and fluctuate substantially, which could result in substantial losses for purchasers of our common stock in this offering.

Our stock price is likely to be volatile. The stock market in general has experienced extreme volatility that has often been unrelated to the operating performance of particular companies. As a result of this volatility, you may not be able to sell your common stock at or above the initial public

offering price. The market price for our common stock may be influenced by many factors, including:

- actual or anticipated fluctuations in our financial condition and operating results;
- actual or anticipated changes in our growth rate relative to our competitors;
- competition from existing products or new products that may emerge;
- development of new technologies that may address our markets and may make our technology less attractive;
- changes in physician, hospital or healthcare provider practices that may make our product candidates less useful;
- announcements by us, our partners or our competitors of significant acquisitions, strategic partnerships, joint ventures, collaborations or capital commitments;
- developments or disputes concerning patent applications, issued patents or other proprietary rights;
- the recruitment or departure of key personnel;
- failure to meet or exceed financial estimates and projections of the investment community or that we provide to the public;
- actual or anticipated changes in estimates as to financial results, development timelines or recommendations by securities analysts;
- variations in our financial results or those of companies that are perceived to be similar to us;
- changes to reimbursement levels by commercial third-party payors and government payors, including Medicare, and any announcements relating to reimbursement levels;
- general economic, industry and market conditions; and
- the other factors described in this "Risk Factors" section.

We have broad discretion in the use of the net proceeds from this offering and may not use them effectively.

Our management will have broad discretion in the application of the net proceeds from this offering and could spend the proceeds in ways that do not improve our results of operations or enhance the value of our common stock. We intend to use the net proceeds from this offering to commercialize our T2Dx and T2Candida product candidates if they receive marketing authorization from the FDA to fund development of our other product candidates and for working capital and general corporate purposes. However, our use of these proceeds may differ substantially from our current plans. The failure by our management to apply these funds effectively could result in financial losses that could have a material adverse effect on our business and cause the price of our common stock to decline. Pending their use, we may invest the net proceeds from this offering in a manner that does not produce income or that loses value.

A significant portion of our total outstanding shares are eligible to be sold into the market in the near future, which could cause the market price of our common stock to drop significantly, even if our business is doing well.

Sales of a substantial number of shares of our common stock in the public market, or the perception in the market that the holders of a large number of shares intend to sell shares, could reduce the market price of our common stock. After this offering, we will have outstanding

18,021,604 shares of common stock based on the number of shares outstanding as of March 31, 2014, the conversion of our redeemable convertible preferred stock into 12,516,298 shares of common stock and the issuance of 93,320 shares of common stock as a result of the net exercise of outstanding warrants, assuming an initial public offering price of $16.00 per share. This includes the shares that we are selling in this offering, which may be resold in the public market immediately without restriction, unless purchased by our affiliates or existing stockholders who have signed lock-up agreements. The remaining shares are currently restricted as a result of securities laws or lock-up agreements but will become eligible to be sold at various times after this offering. Moreover, after this offering, holders of an aggregate of 12,531,346 shares of our common stock will have rights, subject to specified conditions, to require us to file registration statements covering their shares or to include their shares in registration statements that we may file for ourselves or other stockholders. We also intend to register all shares of common stock that we may issue under our equity compensation plans. Once we register these shares, they can be freely sold in the public market upon issuance, subject to volume limitations applicable to affiliates and the lock-up agreements described in the "Underwriting (Conflict of Interest)" section of this prospectus.

We are an "emerging growth company," and the reduced disclosure requirements applicable to emerging growth companies may make our common stock less attractive to investors.

We are an "emerging growth company," as defined in the Jumpstart Our Business Startups Act of 2012, or the JOBS Act, and may remain an emerging growth company for up to five years. For so long as we remain an emerging growth company, we are permitted and intend to rely on exemptions from certain disclosure requirements that are applicable to other public companies that are not emerging growth companies. These exemptions include:

- being permitted to provide only two years of audited financial statements, in addition to any required unaudited interim financial statements, with correspondingly reduced "Management's Discussion and Analysis of Financial Condition and Results of Operations" disclosure;
- not being required to comply with the auditor attestation requirements in the assessment of our internal control over financial reporting;
- not being required to comply with any requirement that may be adopted by the Public Company Accounting Oversight Board regarding mandatory audit firm rotation or a supplement to the auditor's report providing additional information about the audit and the financial statements;
- reduced disclosure obligations regarding executive compensation; and
- exemptions from the requirements of holding a nonbinding advisory vote on executive compensation and stockholder approval of any golden parachute payments not previously approved.

We have taken advantage of reduced reporting burdens in this prospectus. In particular, in this prospectus, we have provided only two years of audited financial statements and have not included all of the executive compensation related information that would be required if we were not an emerging growth company. We cannot predict whether investors will find our common stock less attractive if we rely on these exemptions. If some investors find our common stock less attractive as a result, there may be a less active trading market for our common stock and our stock price may be reduced or more volatile. In addition, the JOBS Act provides that an emerging growth company can take advantage of an extended transition period for complying with new or revised accounting standards. This allows an emerging growth company to delay the adoption of these accounting standards until they would otherwise apply to private companies. We have irrevocably elected not

to avail ourselves of this exemption and, therefore, we will be subject to the same new or revised accounting standards as other public companies that are not emerging growth companies.

We will incur increased costs as a result of operating as a public company, and our management will be required to devote substantial time to new compliance initiatives and corporate governance practices.

As a public company, and particularly after we are no longer an emerging growth company, we will incur significant legal, accounting and other expenses that we did not incur as a private company. The Sarbanes-Oxley Act of 2002, the Dodd-Frank Wall Street Reform and Consumer Protection Act, the listing requirements of The NASDAQ Global Market and other applicable securities rules and regulations impose various requirements on public companies, including establishment and maintenance of effective disclosure and financial controls and corporate governance practices. Our management and other personnel will need to devote a substantial amount of time to these compliance initiatives. Moreover, these rules and regulations will increase our legal and financial compliance costs and will make some activities more time-consuming and costly. For example, we expect that these rules and regulations may make it more difficult and more expensive for us to obtain director and officer liability insurance, which in turn could make it more difficult for us to attract and retain qualified members of our board of directors.

We are evaluating these rules and regulations, and cannot predict or estimate the amount of additional costs we may incur or the timing of such costs. These rules and regulations are often subject to varying interpretations, in many cases due to their lack of specificity, and, as a result, their application in practice may evolve over time as new guidance is provided by regulatory and governing bodies. This could result in continuing uncertainty regarding compliance matters and higher costs necessitated by ongoing revisions to disclosure and governance practices.

Pursuant to Section 404 of the Sarbanes-Oxley Act of 2002, or Section 404, we will be required to furnish a report by our management on our internal control over financial reporting. However, while we remain an emerging growth company, we will not be required to include an attestation report on internal control over financial reporting issued by our independent registered public accounting firm. To achieve compliance with Section 404 within the prescribed period, we will be engaged in a process to document and evaluate our internal control over financial reporting, which is both costly and challenging. In this regard, we will need to continue to dedicate internal resources, potentially engage outside consultants and adopt a detailed work plan to assess and document the adequacy of internal control over financial reporting, continue steps to improve control processes as appropriate, validate through testing that controls are functioning as documented and implement a continuous reporting and improvement process for internal control over financial reporting. Despite our efforts, there is a risk that we will not be able to conclude, within the prescribed timeframe or at all, that our internal control over financial reporting is effective as required by Section 404. If we identify one or more material weaknesses, it could result in an adverse reaction in the financial markets due to a loss of confidence in the reliability of our financial statements.

If securities or industry analysts do not publish research or reports about our business, or if they issue an adverse or misleading opinion regarding our stock, our stock price and trading volume could decline.

The trading market for our common stock will be influenced by the research and reports that industry or securities analysts publish about us or our business. We do not currently have and may never obtain research coverage by securities and industry analysts. If no or few securities or industry analysts commence coverage of us, the trading price for our stock would be negatively impacted. In the event we obtain securities or industry analyst coverage, if any of the analysts who

cover us issue an adverse or misleading opinion regarding us, our business model, our intellectual property or our stock performance, or if our regulatory clearance timelines, clinical trial results or operating results fail to meet the expectations of analysts, our stock price would likely decline. If one or more of these analysts cease coverage of us or fail to publish reports on us regularly, we could lose visibility in the financial markets, which in turn could cause our stock price or trading volume to decline.

Provisions in our restated certificate of incorporation and amended and restated bylaws and under Delaware law could make an acquisition of our company, which may be beneficial to our stockholders, more difficult and may prevent attempts by our stockholders to replace or remove our current management.

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

- a classified board of directors with three-year staggered terms, which may delay the ability of stockholders to change the membership of a majority of our board of directors;
- no cumulative voting in the election of directors, which limits the ability of minority stockholders to elect director candidates;
- the exclusive right of our board of directors to elect a director to fill a vacancy created by the expansion of the board of directors or the resignation, death or removal of a director, which prevents stockholders from filling vacancies on our board of directors;
- the ability of our board of directors to authorize the issuance of shares of preferred stock and to determine the terms of those shares, including preferences and voting rights, without stockholder approval, which could be used to significantly dilute the ownership of a hostile acquirer;
- the ability of our board of directors to alter our amended and restated bylaws without obtaining stockholder approval;
- the required approval of the holders of at least two-thirds of the shares entitled to vote at an election of directors to adopt, amend or repeal our amended and restated bylaws or repeal the provisions of our restated certificate of incorporation regarding the election and removal of directors;
- a prohibition on stockholder action by written consent, which forces stockholder action to be taken at an annual or special meeting of our stockholders;
- the requirement that a special meeting of stockholders may be called only by the chief executive officer, the president or the board of directors, which may delay the ability of our stockholders to force consideration of a proposal or to take action, including the removal of directors; and

- advance notice procedures that stockholders must comply with in order to nominate candidates to our board of directors or to propose matters to be acted upon at a stockholders' meeting, which may discourage or deter a potential acquirer from conducting a solicitation of proxies to elect the acquirer's own slate of directors or otherwise attempting to obtain control of us.

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

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

We have never declared or paid cash dividends on our capital stock. We currently intend to retain all of our future earnings, if any, to finance the growth and development of our business. Our ability to pay cash dividends is prohibited by the terms of our existing credit facility. Any future debt agreements may also preclude us from paying dividends. As a result, capital appreciation, if any, of our common stock will be your sole source of gain for the foreseeable future.

We could be subject to securities class action litigation.

In the past, securities class action litigation has often been brought against a company following a decline in the market price of its securities. If we face such litigation, it could result in substantial costs and a diversion of management's attention and resources, which could harm our business.

SPECIAL NOTE REGARDING FORWARD-LOOKING STATEMENTS

This prospectus contains forward-looking statements. All statements other than statements of historical facts contained in this prospectus, including statements regarding our future results of operations and financial position, business strategy, prospective products and product candidates, their expected performance and impact on healthcare costs, marketing authorization from the FDA, regulatory clearance, reimbursement for our product candidates, research and development costs, timing of regulatory filings, timing and likelihood of success, plans and objectives of management for future operations and future results of anticipated products, are forward-looking statements. These statements involve known and unknown risks, uncertainties and other important factors that may cause our actual results, performance or achievements to be materially different from any future results, performance or achievements expressed or implied by the forward-looking statements.

In some cases, you can identify forward-looking statements by terms such as "may," "will," "should," "expect," "plan," "anticipate," "could," "intend," "target," "project," "contemplate," "believe," "estimate," "predict," "potential" or "continue" or the negative of these terms or other similar expressions. The forward-looking statements in this prospectus are only predictions. We have based these forward-looking statements largely on our current expectations and projections about future events and financial trends that we believe may affect our business, financial condition and results of operations. These forward-looking statements speak only as of the date of this prospectus and are subject to a number of risks, uncertainties and assumptions described under the sections in this prospectus entitled "Risk Factors" and "Management's Discussion and Analysis of Financial Condition and Results of Operations" and elsewhere in this prospectus. These forward looking statements are subject to numerous risks, including, without limitation, the following:

- our status as a development-stage company and our expectation to incur losses in the future;
- our ability to obtain marketing authorization from the FDA or regulatory clearance for our product candidates in the United States or any other jurisdiction;
- the market acceptance of our T2MR technology;
- our ability to timely and successfully develop and commercialize our existing and future product candidates;
- the length of our anticipated sales cycle;
- our ability to gain the support of leading hospitals and key thought leaders and publish the results of our clinical trials in peer-reviewed journals;
- our future capital needs and our need to raise additional funds;
- the performance of our diagnostics;
- our ability to successfully manage our growth;
- our ability to compete in the highly competitive diagnostics market;
- our ability to protect and enforce our intellectual property rights, including our trade secret-protected proprietary rights in T2MR; and
- federal, state, and foreign regulatory requirements, including FDA regulation of our product candidates.

Because forward-looking statements are inherently subject to risks and uncertainties, some of which cannot be predicted or quantified and some of which are beyond our control, you should not

rely on these forward-looking statements as predictions of future events. The events and circumstances reflected in our forward-looking statements may not be achieved or occur and actual results could differ materially from those projected in the forward-looking statements. Moreover, we operate in an evolving environment. New risk factors and uncertainties may emerge from time to time, and it is not possible for management to predict all risk factors and uncertainties. As a result of these factors, we cannot assure you that the forward-looking statements in this prospectus will prove to be accurate. Except as required by applicable law, we do not plan to publicly update or revise any forward-looking statements contained herein, whether as a result of any new information, future events, changed circumstances or otherwise.

You should read this prospectus and the documents that we reference in this prospectus and have filed as exhibits to the registration statement, of which this prospectus is a part, completely and with the understanding that our actual future results may be materially different from what we expect. We qualify all of our forward-looking statements by these cautionary statements.

INDUSTRY AND OTHER DATA

We obtained the industry, statistical and market data in this prospectus from our own internal estimates and research as well as from industry and general publications and research, surveys and studies conducted by third parties. Industry publications, studies and surveys generally state that they have been obtained from sources believed to be reliable, although they do not guarantee the accuracy or completeness of such information. While we believe that each of these studies and publications is reliable, we have not independently verified statistical, market and industry data from third-party sources. While we believe our internal company research is reliable and the market definitions are appropriate, neither such research nor these definitions have been verified by any independent source.

USE OF PROCEEDS

We estimate that the net proceeds from our issuance and sale of 4,000,000 shares of our common stock in this offering will be $57.0 million (or $65.9 million if the underwriters exercise in full their option to purchase additional shares), assuming an initial public offering price of $16.00 per share, which is the midpoint of the price range set forth on the cover page of this prospectus, and after deducting the estimated underwriting discount and estimated offering expenses payable by us.

Each $1.00 increase (decrease) in the assumed initial public offering price of $16.00 per share would increase (decrease) the net proceeds to us from this offering by $3.7 million, assuming the number of shares offered by us, as set forth on the cover page of this prospectus, remains the same and after deducting the estimated underwriting discount and estimated offering expenses payable by us. Each increase (decrease) of 1.0 million in the number of shares we are offering would increase (decrease) the net proceeds to us from this offering, after deducting the estimated underwriting discount and estimated offering expenses payable by us, by $14.9 million, assuming the assumed initial public offering price stays the same.

We currently intend to use the net proceeds from this offering as follows:

- approximately $29 million to fund our research and development programs, which broaden our instrument and diagnostic applications utilizing T2MR technology;
- approximately $22 million to obtain marketing authorization from the FDA for, and support the commercialization of, our T2Dx and T2Candida product candidates, including the hiring of additional sales, marketing and manufacturing personnel and related support costs associated with sales, marketing and manufacturing activities; and
- the balance for other general corporate purposes, including general and administrative expenses, working capital, capital expenditures to add equipment for laboratory and manufacturing-related purposes and to support expansion of facilities, and the repayment of indebtedness.

Our expected use of net proceeds from this offering represents our current intentions based upon our present plans and business condition. As of the date of this prospectus, we cannot predict with complete certainty all of the particular uses for the net proceeds from this offering or the actual amounts that we will spend on the uses set forth above. We may also use a portion of the net proceeds to in-license, acquire, or invest in additional businesses, technologies, products or assets, although currently we have no specific agreements, commitments or understandings in this regard. The amounts and timing of our actual expenditures will depend on numerous factors, including the progress of our clinical trials, our ability to obtain marketing authorization from the FDA for our product candidates and other development and commercialization efforts for T2Dx and T2Candida, as well as the amount of cash used in our operations. We may find it necessary or advisable to use the net proceeds from this offering for other purposes, and we will have broad discretion in the application of the net proceeds.

Pending the uses described above, we plan to invest the net proceeds from this offering in short-and intermediate-term, interest-bearing obligations, investment-grade instruments, certificates of deposit or direct or guaranteed obligations of the U.S. government.

DIVIDEND POLICY

We have never declared or paid any cash dividends on our capital stock. We intend to retain future earnings, if any, to finance the operation and expansion of our business and do not anticipate paying any cash dividends in the foreseeable future. In addition, our ability to pay cash dividends is currently prohibited by the terms of our credit facility with Solar Capital, Ltd., unless Solar Capital, Ltd. provides prior written consent.

CAPITALIZATION

The following table sets forth our capitalization as of March 31, 2014:

- on an actual basis;
- on a pro forma basis to give effect to:
  - the automatic conversion of all outstanding shares of our preferred stock into an aggregate of 12,516,298 shares of common stock, which will occur automatically upon the closing of this offering, and the issuance of 93,320 shares of common stock upon the net exercise of all outstanding warrants, which will occur upon the closing of this offering, assuming an initial public offering price of $16.00 per share, which is the midpoint of the price range set forth on the cover page of this prospectus, and the resulting reclassification of the related liability for warrants to purchase redeemable securities to additional paid-in capital;
  - the borrowing of $10.0 million under a senior secured term loan facility with Solar Capital, Ltd. and the repayment of all outstanding obligations related to our loan and security agreement with Silicon Valley Bank in July 2014, together with scheduled principal payments after March 31, 2014, totaling $3.4 million; and
  - the filing of our restated certificate of incorporation upon the closing of this offering; and
- on a pro forma as adjusted basis to give further effect to our issuance and sale of 4,000,000 shares of common stock in this offering at an assumed initial public offering price of $16.00 per share, which is the midpoint of the price range set forth on the cover page of this prospectus, after deducting the estimated underwriting discount and estimated offering expenses payable by us.

Our capitalization following the closing of this offering will depend on the actual initial public offering price and other terms of this offering determined at pricing. You should read this information in conjunction with our financial statements and the related notes appearing at the end of this prospectus and the "Management's Discussion and Analysis of Financial Condition and Results of Operations" section and other financial information contained in this prospectus.

	As of March 31, 2014		
	Actual	Pro Forma	Pro Forma As Adjusted
	(in thousands)		
Notes payable, net of current portion	$ 2,855	$ 11,000	$ 11,000
Warrants to purchase redeemable securities	1,152	—	—
Redeemable convertible preferred stock:			
Series A-1 redeemable convertible preferred stock, $0.001 par value; 282,849 shares authorized, issued and outstanding, actual; no shares authorized, issued or outstanding, pro forma or pro forma as adjusted	885	—	—
Series A-2 redeemable convertible preferred stock, $0.001 par value; 1,717,728 shares authorized, 1,703,959 shares issued and outstanding, actual; no shares authorized, issued or outstanding, pro forma or pro forma as adjusted	7,824	—	—
Series B redeemable convertible preferred stock, $0.001 par value; 3,523,765 shares authorized, 3,249,877 shares issued and outstanding, actual; no shares authorized, issued or outstanding, pro forma or pro forma as adjusted	15,681	—	—
Series C redeemable convertible preferred stock, $0.001 par value; 4,085,125 shares authorized, 4,055,125 shares issued and outstanding, actual; no shares authorized, issued or outstanding, pro forma or pro forma as adjusted	19,401	—	—

	As of March 31, 2014		
	Actual	Pro Forma	Pro Forma As Adjusted
		(in thousands)	
Series D redeemable convertible preferred stock, $0.001 par value; 5,074,725 shares authorized, 5,054,945 shares issued and outstanding, actual; no shares authorized, issued or outstanding, pro forma or pro forma as adjusted	27,822	—	—
Series E redeemable convertible preferred stock, $0.001 par value; 6,960,967 shares authorized, 6,930,967 shares issued and outstanding, actual; no shares authorized, issued or outstanding, pro forma or pro forma as adjusted	43,106	—	—
Common stock, par value $0.001 per share; 28,254,907 shares authorized, 1,411,986 shares issued and outstanding, actual; 200,000,000 shares authorized, pro forma and pro forma as adjusted; 14,021,604 shares issued and outstanding, pro forma; 18,021,604 shares issued and outstanding, pro forma as adjusted	1	14	18
Preferred stock, par value $0.001 per share; no shares authorized, issued and outstanding, actual; 10,000,000 shares authorized, no shares issued and outstanding, pro forma and pro forma as adjusted	—	—	—
Additional paid-in capital	—	96,856	153,852
Deficit accumulated during the development stage	(98,131)	(79,165)	(79,165)
Total stockholders' (deficit) equity	(98,130)	17,705	74,705
Total capitalization	$ 20,596	$ 28,705	$ 85,705

Each $1.00 increase (decrease) in the assumed initial public offering price of $16.00 per share, which is the midpoint of the price range set forth on the cover page of this prospectus, would increase (decrease) the pro forma as adjusted amount of each of additional paid-in capital, total stockholders' (deficit) equity and total capitalization by $3.7 million, assuming that the number of shares offered by us, as set forth on the cover page of this prospectus, remains the same and after deducting the estimated underwriting discount and estimated offering expenses payable by us. Similarly, each increase (decrease) of 1.0 million shares in the number of shares offered by us at the assumed initial public offering price per share, which is the midpoint of the price range set forth on the cover page of this prospectus, would increase (decrease) the pro forma as adjusted amount of each of additional paid in capital, total stockholders' (deficit) equity and total capitalization by $14.9 million.

The number of shares in the table above does not include:

- 2,282,591 shares of our common stock issuable upon exercise of stock options outstanding as of March 31, 2014, at a weighted-average exercise price of $2.57 per share, and 441,719 shares of our common stock issuable upon the exercise of stock options granted after March 31, 2014 at an exercise price of $10.69 per share;
- 1,016,953 shares of our common stock reserved for future issuance under our 2014 Incentive Award Plan, which will become effective on the day prior to the public trading date of our common stock, as well as shares of our common stock that become available pursuant to provisions in our 2014 Incentive Award Plan that automatically increase the share reserve under the 2014 Incentive Award Plan as more fully described in "Executive and Director Compensation—2014 Incentive Award Plan"; and
- 220,588 shares of our common stock reserved for future issuance under our 2014 Employee Stock Purchase Plan, which will become effective on the day prior to the public trading date of our common stock, as well as shares of our common stock that become available pursuant to provisions in our 2014 Employee Stock Purchase Plan that automatically increase the share reserve under the 2014 Employee Stock Purchase Plan as more fully described in "Executive and Director Compensation—2014 Employee Stock Purchase Plan".

DILUTION

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

As of March 31, 2014, we had a net tangible book value of $(98.1) million, or $(69.50) per share of common stock. Our net tangible book value per share represents total tangible assets less total liabilities and redeemable convertible preferred stock, divided by the number of shares of our common stock outstanding as of March 31, 2014.

Our pro forma net tangible book value as of March 31, 2014 was $17.7 million, or $1.26 per share of our common stock. Pro forma net tangible book value per share represents total tangible assets less total liabilities, divided by the number of shares of our common stock outstanding as of March 31, 2014, after giving effect to:

- the automatic conversion of all outstanding shares of our preferred stock into 12,516,298 shares of our common stock upon the closing of this offering, and the issuance of 93,320 shares of common stock upon the net exercise of all outstanding warrants, assuming an initial public offering price of $16.00 per share, which is the midpoint of the price range set forth on the cover page of this prospectus, which will occur upon the closing of this offering, and the resulting reclassification of the related liability for warrants to purchase redeemable securities to additional paid-in capital; and

- the borrowing of $10.0 million under a senior secured term loan facility with Solar Capital, Ltd. and the repayment of all outstanding obligations related to our loan and security agreement with Silicon Valley Bank in July 2014, together with scheduled principal payments after March 31, 2014, totaling $3.4 million.

After giving further effect to our sale of 4,000,000 shares of common stock in this offering at an assumed initial public offering price of $16.00 per share, which is the midpoint of the price range set forth on the cover page of this prospectus, and after deducting the estimated underwriting discount and estimated offering expenses payable by us, our pro forma as adjusted net tangible book value as of March 31, 2014 would have been $74.7 million, or $4.15 per share. This amount represents an immediate increase in pro forma net tangible book value of $2.89 per share to our existing stockholders and an immediate dilution of $11.85 per share to new investors in this offering. We determine dilution by subtracting the pro forma as adjusted net tangible book value per share after this offering from the amount of cash that a new investor paid for a share of common stock. The following table illustrates this dilution:

Assumed initial public offering price per share		$ 16.00
Net tangible book value per share as of March 31, 2014	$ (69.50)	
Increase in net tangible book value per share attributable to the conversion of our preferred stock, net exercise of warrants and borrowing and repayment of indebtedness	70.76	
Pro forma net tangible book value per share as of March 31, 2014	1.26	
Increase in pro forma net tangible book value per share attributable to this offering	2.89	
Pro forma as adjusted net tangible book value per share after this offering		4.15
Dilution per share to new investors in this offering		$ 11.85

Each $1.00 increase (decrease) in the assumed initial public offering price of $16.00 per share, which is the midpoint of the price range set forth on the cover page of this prospectus, would increase (decrease) the pro forma as adjusted net tangible book value per share after this offering by $0.21, and dilution in pro forma net tangible book value per share to new investors by $0.79, assuming that the number of shares offered by us, as set forth on the cover page of this prospectus, remains the same and after deducting the estimated underwriting discount and estimated offering expenses payable by us. Each increase (decrease) of 1.0 million shares in the number of shares offered by us would increase (decrease) our pro forma as adjusted net tangible book value per share after this offering by $0.56 per share and decrease (increase) the dilution to new investors by $(0.56) per share, assuming that the assumed initial public offering price remains the same, and after deducting the estimated underwriting discount and the estimated offering expenses payable by us.

If the underwriters exercise their option to purchase additional shares of our common stock in full, the pro forma as adjusted net tangible book value after this offering would be $4.49 per share, the increase in pro forma net tangible book value per share would be $3.23 and the dilution per share to new investors would be $11.51, in each case assuming an initial public offering price of $16.00 per share, which is the midpoint of the price range set forth on the cover page of this prospectus.

The following table summarizes, on a pro forma as adjusted basis as described above, as of March 31, 2014, the differences between the number of shares purchased from us, the total consideration paid to us in cash and the average price per share that existing stockholders and new investors paid. The calculation below is based on an assumed initial public offering price of $16.00 per share, which is the midpoint of the price range set forth on the cover page of this prospectus, before deducting the estimated underwriting discount and estimated offering expenses payable by us.

	Shares Purchased		Total Consideration		Average Price Per Share
	Number	Percent	Amount	Percent	
Existing stockholders	14,021,604	78%	$ 95,203,627	60%	$ 6.79
New investors	4,000,000	22	64,000,000	40	16.00
Total	18,021,604	100%	159,203,627	100%	

The foregoing tables and calculations are based on the number of shares of our common stock outstanding as of March 31, 2014, after giving effect to the automatic conversion of all outstanding shares of our preferred stock into common stock upon the closing of this offering and the net exercise of all outstanding warrants, which will occur upon the closing of this offering, assuming an initial public offering price of $16.00 per share, which is the midpoint of the price range set forth on the cover page of this prospectus, and exclude:

- 2,282,591 shares of our common stock issuable upon exercise of stock options outstanding as of March 31, 2014, at a weighted-average exercise price of $2.57 per share, and 441,719 shares of our common stock issuable upon the exercise of stock options granted after March 31, 2014 at an exercise price of $10.69 per share;

- 1,016,953 shares of our common stock reserved for future issuance under our 2014 Incentive Award Plan, which will become effective on the day prior to the public trading date of our common stock, as well as shares of our common stock that become available pursuant to provisions in our 2014 Incentive Award Plan that automatically increase the share reserve under the 2014 Incentive Award Plan as more fully described in "Executive and Director Compensation—2014 Incentive Award Plan"; and

- 220,588 shares of our common stock reserved for future issuance under our 2014 Employee Stock Purchase Plan, which will become effective on the day prior to the public trading date of our common stock, as well as shares of our common stock that become available pursuant to provisions in our 2014 Employee Stock Purchase Plan that automatically increase the share reserve under the 2014 Employee Stock Purchase Plan as more fully described in "Executive and Director Compensation—2014 Employee Stock Purchase Plan".

To the extent any of the outstanding stock options are exercised, there will be further dilution to new investors. If all of such outstanding stock options had been exercised as of March 31, 2014, the pro forma as adjusted net tangible book value per share after this offering would have been $3.93, and total dilution per share to new investors would have been $12.07.

If the underwriters exercise in full their option to purchase additional shares of our common stock:

- the percentage of shares of common stock held by existing stockholders will decrease to 75% of the total number of shares of our common stock outstanding after this offering; and

- the number of shares held by new investors will increase to 4,600,000, or 25% of the total number of shares of our common stock outstanding after this offering.

Certain of our existing stockholders and their affiliated entities, including Aisling Capital and affiliates of Goldman, Sachs & Co., have indicated an interest to purchase up to $17 million in shares of our common stock in this offering at the initial public offering price. However, because indications of interest are not binding agreements or commitments to purchase, any of these existing stockholders may determine to increase or reduce the amount of its indication of interest, or otherwise elect not to purchase any shares. It is also possible that the number of shares, if any, allocated to any investor in the offering may be smaller than the amount of that investor's indication of interest. Any allocation of shares in the offering to these existing stockholders will be made at our direction.

SELECTED FINANCIAL DATA

The following tables set forth, for the periods and as of the dates indicated, our selected financial data. The statement of operations data for the years ended December 31, 2012 and 2013 and balance sheet data as of December 31, 2012 and 2013 are derived from our audited financial statements appearing elsewhere in this prospectus. The balance sheet data as of March 31, 2014 and the statement of operations data for the three months ended March 31, 2013 and 2014 and the statement of operations data for the period from our inception (April 27, 2006) to March 31, 2014 have been derived from our unaudited financial statements included elsewhere in this prospectus. These unaudited financial statements have been prepared on a basis consistent with our audited financial statements and, in our opinion, contain all adjustments, consisting of normal and recurring adjustments, necessary for the fair presentation of such financial data. You should read this data together with our financial statements and related notes included elsewhere in this prospectus and the information under the caption "Management's Discussion and Analysis of Financial Condition and Results of Operations". Our historical results are not necessarily indicative of our future results, and our operating results for the three months ended March 31, 2014 are not necessarily indicative of the results that may be expected for the year ending December 31, 2014 or any other interim periods or any future year or period.

	Year Ended December 31,		Three Months Ended March 31,		Period from April 27, 2006 (Inception) to March 31, 2014
	2012	2013	2013	2014	
	(in thousands, except share and per share data)				
Statement of Operations Data:					
Research and grant revenue	$ 19	$ 266	$ —	$ —	$ 3,085
Operating expenses:					
Research and development	11,727	14,936	3,561	5,065	59,388
Selling, general and administrative	2,945	5,022	1,039	1,842	22,552
Total operating expenses	14,672	19,958	4,600	6,907	81,940
Interest expense, net	(154)	(403)	(105)	(86)	(937)
Other income (expense), net	352	(515)	125	73	611
Net loss	(14,455)	(20,610)	(4,580)	(6,920)	(79,181)
Accretion of redeemable convertible preferred stock to redemption value	(4,412)	(6,908)	(1,176)	(1,906)	(21,307)
Net loss applicable to common stockholders	$ (18,867)	$ (27,518)	$ (5,756)	$ (8,826)	$ (100,488)
Net loss per share applicable to common stockholders – basic and diluted[1]	$ (13.86)	$ (19.72)	$ (4.17)	$ (6.25)	$ (99.66)
Weighted-average number of common shares used in computing net loss per share applicable to common stockholders – basic and diluted[1]	1,361,616	1,395,562	1,380,303	1,411,961	1,008,304
Pro forma net loss per share applicable to common stockholders – basic and diluted (unaudited)[1]		$ (1.53)		$ (0.50)	$ (13.33)
Pro forma weighted-average number of common shares used in computing net loss per share applicable to common stockholders – basic and diluted (unaudited)[1]		13,111,584		14,021,579	5,912,015

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

	As of December 31,		As of March 31,
	2012	2013	2014
		(in thousands)	
Balance Sheet Data:			
Cash and cash equivalents	$ 9,709	$ 30,198	$ 23,698
Total assets	11,431	31,885	25,832
Notes payable, net of current portion	5,058	3,299	2,855
Current liabilities	2,129	4,046	5,201
Warrants to purchase redeemable securities	695	1,225	1,152
Redeemable convertible preferred stock	66,137	112,813	114,719
Total stockholders' deficit	(62,658)	(89,543)	(98,130)

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

You should read the following discussion and analysis of our financial condition and results of operations together with our financial statements and related notes thereto included elsewhere in this prospectus. Some of the information contained in this discussion and analysis or set forth elsewhere in this prospectus, including information with respect to our plans and strategy for our business and related financing, includes forward-looking statements that involve risks and uncertainties. As a result of many factors, including those factors set forth in the "Risk Factors" section of this prospectus, our actual results could differ materially from the results described in or implied by the forward-looking statements contained in the following discussion and analysis.

Overview

We are an *in vitro* diagnostics company that has developed an innovative and proprietary technology platform that offers a rapid, sensitive and simple alternative to existing diagnostic methodologies. We are using our T2 Magnetic Resonance platform, or T2MR, to develop a broad set of applications aimed at lowering mortality rates, improving patient outcomes and reducing the cost of healthcare by helping medical professionals make targeted treatment decisions earlier. Our initial development efforts utilizing T2MR target sepsis and hemostasis, which are areas of significant unmet medical need where existing therapies could be more effective with improved diagnostics. Based on our non-binding communications with the FDA, we believe that the sensitivity and specificity achieved in the clinical trial meet or exceed the requirements for product clearance. Sensitivity is the percent concordance, or the percentage of sample results that agree with a reference, or comparative, method for positive results. Specificity is the percent concordance to a reference method for negative results. We have completed a pivotal clinical trial for T2Dx and T2Candida and, on May 27, 2014, we submitted a *de novo* petition to the U.S. Food and Drug Administration, or the FDA, requesting an order authorizing us to market T2Dx and T2Candida in the United States. Our goal is to launch T2Dx and T2Candida commercially in the United States in the first half of 2015. In addition, we expect to initiate clinical trials for our bacterial sepsis and hemostasis product candidates in the second half of 2015 and the first half of 2016, respectively, and are targeting to commercialize these product candidates in 2017. We believe our combined initial annual addressable market opportunity for sepsis and hemostasis is over $3 billion in the United States alone, when the market opportunity for T2Candida, T2Bacteria and our initial hemostasis diagnostic panel is combined.

Since our inception in 2006, we have devoted substantially all of our resources to the development of T2MR and applications of T2MR. We do not have marketing authorization or regulatory approval in any jurisdiction to sell any products and have not generated any revenue from product sales. Since our inception through March 31, 2014, we have raised an aggregate of $101.9 million to fund our operations, of which $93.4 million was from the sale of preferred stock, and $8.3 million and $0.2 million were from the issuance of debt and common stock, respectively.

We have never been profitable and have incurred net losses in each year since inception. Our net losses, for the period from April 27, 2006 (inception) to March 31, 2014, totaled $79.2 million. Substantially all our net losses resulted from costs incurred in connection with our research and development programs and from general and administrative costs associated with our operations. We expect to continue to incur significant expenses and increasing operating losses for at least the next several years.

We do not expect to generate revenue from product sales unless and until we obtain marketing authorization from the FDA for T2Dx and T2Candida. If we obtain marketing authorization for T2Dx and T2Candida, or any of our other products, we expect to incur significant

commercialization expenses related to product sales, marketing, manufacturing and distribution. In addition, we expect that our expenses will increase substantially as we continue the research and development of our other products and maintain, expand and protect our intellectual property portfolio. Accordingly, we will seek to fund our operations through public or private equity or debt financings or other sources. However, we may be unable to raise additional funds or enter into such other arrangements when needed on favorable terms or at all. Our failure to raise capital or enter into such other arrangements as and when needed would have a negative impact on our financial condition and our ability to develop and commercialize our product candidates.

Financial Overview

Revenue

To date, we have generated revenue primarily from research and development agreements and government grants and have not generated any revenue from the sale of products. Revenue earned from activities performed pursuant to research and development agreements and grants is reported as revenue using the proportional performance method as the work is completed, and the related costs are expensed as incurred as research and development expense.

Our product candidate revenue will be derived from the sale of our instruments and related consumable diagnostic tests. In the majority of cases, we expect to place instruments in hospitals at minimal or no direct cost to customers in exchange for longer-term agreements and minimum commitments for the purchase of our consumable diagnostic tests. Under this business model, we believe we will recover the cost of placing our instruments in hospitals through the incremental price we charge for our consumable diagnostic tests. Our consumable diagnostic tests can only be used with our instruments, and accordingly, as the installed base of our instruments grows, we expect the following to occur:

- recurring revenue from our consumable diagnostic tests will increase and become subject to less period-to-period fluctuation;
- consumable revenue will become an increasingly predictable and important contributor to our total revenue; and
- we will gain economies of scale through the growth in our sales, resulting in improving gross margins and operating margins.

Revenue from consumables is expected to be based on the volume of tests sold and the price of each consumable unit. In the event that revenue arrangements contain multiple deliverables, revenue will be recognized upon the delivery of each of the elements once the appropriate revenue criteria is met.

We plan to continue to expand our capacity to support our growth, which will result in higher cost of revenue in absolute dollars. However, we expect cost of revenue, as a percentage of revenue, to decline as revenue grows.

Research and development expenses

Our research and development expenses consist primarily of costs incurred for development of our technology and product candidates, technology improvements and enhancements, clinical trials to evaluate the clinical utility of our product candidates, and laboratory development and expansion, and include salaries and benefits, including stock-based compensation, research-related facility and overhead costs, laboratory supplies, equipment and contract services. We expense all research and development costs as incurred.

We have incurred a total of $59.4 million in research and development expenses from inception through March 31, 2014, with a majority of the expenses being spent on the development of T2MR, and applications of T2MR, and the remainder being spent on clinical trials and research and development of additional applications using T2MR. We expect that our overall research and development expenses will continue to increase in absolute dollars. We have committed, and expect to commit, significant resources developing additional product candidates, improving product performance and reliability, conducting ongoing and new clinical trials and expanding our laboratory capabilities.

Selling, general and administrative expenses

Selling, general and administrative expenses consist primarily of costs for our sales and marketing, finance, human resources, business development and general management functions, as well as professional services, such as legal, consulting and accounting services. We expect selling, general and administrative expenses to increase in future periods as we commercialize product candidates that receive marketing authorization or regulatory clearance and as our needs for sales, marketing and administrative personnel grow. Other selling, general and administrative expenses include facility-related costs, fees and expenses associated with obtaining and maintaining patents, clinical and economic studies and publications, marketing expenses, and travel expenses. We also anticipate increased expenses related to audit, legal, regulatory and tax-related services associated with being a public company. We expense all selling, general and administrative expenses as incurred.

Interest expense, net

Interest expense, net, consists primarily of interest expense on our notes payable and the amortization of deferred financing costs, partially offset by interest earned on our cash and cash equivalents.

Other income (expense), net

Other income (expense), net, consists primarily of the gain or loss associated with the change in the fair value of our liability for warrants to purchase redeemable securities.

Results of Operations for the Three Months Ended March 31, 2013 and March 31, 2014

	Three Months Ended March 31,		
	2013	2014	Change
	(in thousands)		
Research and grant revenue	$ —	$ —	$ —
Operating expenses:			
Research and development	3,561	5,065	1,504
Selling, general and administrative	1,039	1,842	803
Total operating expenses	4,600	6,907	2,307
Loss from operations	(4,600)	(6,907)	(2,307)
Interest expense, net	(105)	(86)	19
Other income (expense), net	125	73	(52)
Net loss	$ (4,580)	$ (6,920)	$ (2,340)

Research and development expenses

Research and development expenses were $5.1 million for the three months ended March 31, 2014, compared to $3.6 million for the three months ended March 31, 2013, an increase of $1.5 million. The increase was primarily due to increased travel and site expenses of $0.8 million related to the pivotal clinical trial for T2Dx and T2Candida, increased payroll and payroll related expenses of $0.4 million, including stock compensation expenses, as we increased full-time and temporary headcount, increased lab expenses of $0.1 million and increased consulting expenses of $0.1 million to support product development.

Selling, general and administrative expenses

Selling, general and administrative expenses were $1.8 million for the three months ended March 31, 2014, compared to $1.0 million for the three months ended March 31, 2013. The increase of $0.8 million was due primarily to increased payroll and related expenses of $0.5 million, including stock compensation expenses, as we hired new sales and administrative employees, increased marketing program expenses of $0.1 million, including trade shows, website redesign and collateral, and increased consulting related expenses of $0.1 million.

Interest expense, net

Interest expense, net, decreased for the three months ended March 31, 2014, compared to the three months ended March 31, 2013, due to lower borrowing levels on our notes payable.

Other income (expenses), net

Other income (expense), net, for the three months ended March 31, 2014, declined when compared with the three months ended March 31, 2013, due to a decrease in income from the revaluation of the fair value of the liability for warrants to purchase redeemable securities.

Results of Operations for the Years Ended December 31, 2012 and 2013

	Year Ended December 31,		
	2012	2013	Change
	(in thousands)		
Research and grant revenue	$ 19	$ 266	$ 247
Operating expenses:			
Research and development	11,727	14,936	3,209
Selling, general and administrative	2,945	5,022	2,077
Total operating expenses	14,672	19,958	5,286
Loss from operations	(14,653)	(19,692)	(5,039)
Interest expense, net	(154)	(403)	(249)
Other income (expense), net	352	(515)	(867)
Net loss	$ (14,455)	$ (20,610)	$ (6,155)

Revenue

We recorded $0.3 million of research and grant revenue for the year ended December 31, 2013, which primarily consisted of revenue related to feasibility studies and co-development efforts with three companies. For the year ended December 31, 2012, we recorded $19,000 in research

and grant revenue, which primarily consisted of work completed under a third-party development agreement, offset by the fair value of warrants issued in conjunction with the agreement, which were recorded as a reduction to revenue.

Research and development expenses

Research and development expenses were $14.9 million for the year ended December 31, 2013, compared to $11.7 million for the year ended December 31, 2012, an increase of $3.2 million. The increase was primarily due to increased payroll and payroll related expenses of $1.1 million, including stock compensation expenses, as we hired new employees, increased lab expenses to support product development, increased travel and site expenses of $2.1 million related to the pivotal clinical trial for T2Dx and T2Candida.

Selling, general and administrative expenses

Selling, general and administrative expenses were $5.0 million for the year ended December 31, 2013, compared to $2.9 million for the year ended December 31, 2012. The increase of $2.1 million was due primarily to increased payroll and related expenses of $0.9 million, including stock compensation expense, as we hired new administrative employees, increased marketing program expenses of $0.5 million, including tradeshows and collateral, increased legal expenses of $0.2 million related to corporate and intellectual property matters, and increased consulting related expenses of $0.2 million.

Interest expense, net

Interest expense, net, increased for the year ended December 31, 2013, compared to the year ended December 31, 2012, due to higher borrowing levels in 2013 under our credit facility with Silicon Valley Bank.

Other income (expense), net

Other income (expense), net, for the year ended December 31, 2013 declined when compared with the year ended December 31, 2012, due to an increase in the fair value of the liability for warrants to purchase redeemable securities.

Liquidity and Capital Resources

We have incurred losses and cumulative negative cash flows from operations since our inception in April 2006, and as of March 31, 2014, we had a deficit accumulated in the development stage of $98.1 million. We anticipate that we will continue to incur losses for at least the next several years. We expect that our research and development and selling, general and administrative expenses will continue to increase and, as a result, we will need additional capital to fund our operations, which we may raise through a combination of equity offerings, debt financings, other third-party funding, marketing and distribution arrangements and other collaborations, strategic alliances and licensing arrangements.

We have funded our operations principally from the issuance of preferred stock, common stock and notes payable. Since our inception through March 31, 2014, we have raised an aggregate of $101.9 million to fund our operations, of which $93.4 million was from the sale of preferred stock, $8.3 million was from our debt instruments and $0.2 million was from the issuance of common stock. As of March 31, 2014, we had cash and cash equivalents of $23.7 million. Currently, our funds are primarily held in money market funds consisting of U.S. government-backed securities.

Indebtedness

On May 9, 2011, we entered into a promissory note with Massachusetts Development Finance Company to borrow up to $1.7 million for the purchase of laboratory equipment and office equipment. The amounts borrowed are collateralized by the associated equipment and bear interest at a fixed annual rate of 6.5%. Pursuant to the note, we are required to meet a liquidity covenant whereby we must maintain a cash balance of $0.3 million in cash and marketable securities. We paid interest only on the borrowings through December 2013 and will continue to make equal monthly payments of principal and interest through the maturity date of May 2018. In connection with the note, we issued a warrant that is exercisable for shares of our series C preferred stock.

On June 30, 2007, we entered into a loan and security agreement with Silicon Valley Bank, as amended on June 26, 2009 and June 25, 2012. Our outstanding borrowings as of March 31, 2014 relate to the June 25, 2012 amendment, which allowed us to borrow up to $4.5 million through December 31, 2012. We repaid this loan in full on July 11, 2014. The amounts borrowed were collateralized by our assets other than intellectual property and bore interest at the greater of a floating rate based on the prime rate or a fixed rate of 6.25%. Under the terms of the loan and security agreement, we paid interest only on the borrowings through June 30, 2013 and thereafter made monthly payments of principal plus monthly payments of accrued interest. In connection with the loan and security agreement and related amendments, we issued warrants exercisable for shares of our series A-2 preferred stock, series B preferred stock and series D preferred stock.

In addition, the promissory note with Massachussetts Development Finance Company contains a subjective acceleration clause whereby an event of default and immediate acceleration of the borrowing under the security and loan agreement occurs if we experience a material adverse change in the business, operations or condition (financial or otherwise) or a material impairment of the prospect of repayment of any portion of the obligations. The lender has not exercised its right under this clause, as there have been no such events. We believe that the likelihood of the lender exercising this right is remote.

As of March 31, 2014, we had $4.6 million outstanding under these debt instruments and were in compliance with all financial covenants.

On July 11, 2014, we entered into a loan and security agreement with Solar Capital, Ltd., as collateral agent and lender, and Comerica Bank, as lender, for a $30.0 million senior secured term loan facility. The borrowings are available in two tranches; $20.0 million for tranche A and $10.0 million for tranche B. We drew $10.0 million under tranche A on July 11, 2014. We may draw the remaining $10.0 million of tranche A prior to December 31, 2014. We may also draw the $10.0 million for tranche B if, prior to June 30, 2015, we have received Section 510(k) clearance from the FDA for T2Dx and T2Candida and we have completed a public offering, private offering, equity raise or strategic partner arrangement which results in net proceeds to us of at least $30.0 million.

Interest on oustanding balances accrues at an annual rate equal to the one-month London Interbank Offered Rate, or LIBOR, plus 7.05%, which would have been 7.20% as of July 11, 2014. We are required to make interest-only payments through January 31, 2016, unless we satisfy the conditions required to draw Tranche B, in which case the interest-only period is extended until July 31, 2016. After the interest-only repayment period, we will repay the amounts borrowed in equal monthly installments until the maturity date of July 1, 2019. In connection with the term loan facility, we paid a closing fee of $125,000 and other transactional and legal costs. Upon the maturity, acceleration or prepayment of any or all of the loans made under the term loan facility, we will be required to pay a final fee equal to 4.75% of the aggregate amount of such loans. As of the date of this prospectus, we have $10.0 million in principal outstanding under the term loan facility. We are permitted to prepay borrowed amounts, subject to the payment of a repayment premium of

1.5% of amounts prepaid prior to July 2015, which premium decreases to 1.0% for amounts prepaid after July 2015 but before July 2016, and further decreases to 0.5% for amounts prepaid after July 2016 but before the maturity date.

Amounts borrowed under the loan facility are secured by substantially all of our existing assets, and assets we may acquire in the future, in each case other than capital stock, leased real property, licenses that are not assignable without the licensor's consent, leased equipment and intellectual property, except for proceeds from intellectual property.

Plan of operations and future funding requirements

Our primary uses of capital are, and we expect will continue to be, compensation and related expenses, costs related to clinical trials, laboratory and related supplies, supplies and materials used in manufacturing, legal and other regulatory expenses and general overhead costs.

We believe that our existing cash and cash equivalents, together with the net proceeds of this offering, will be sufficient to fund our operating expenses and capital expenditure requirements through at least the next 18 months. We have based this estimate on assumptions that may prove to be wrong, and we could use our capital resources sooner than we currently expect. Additionally, the process of testing our product candidates in clinical trials is costly, and the timing of progress in these trials is uncertain. Because our product candidates have not received marketing authorization from the FDA and are in various stages of clinical and preclinical development and the outcome of these efforts is uncertain, we cannot estimate the actual amounts necessary to successfully complete the development and commercialization of our product candidates or whether, or when, we may achieve profitability.

Until such time, if ever, as we can generate substantial product revenue, we expect to finance our cash needs through a combination of equity offerings, debt financings and revenue from potential research and development and other collaboration agreements. To the extent that we raise additional capital through the future sale of equity or debt, the ownership interest of our stockholders will be diluted, and the terms of these securities may include liquidation or other preferences that adversely affect the rights of our existing common stockholders. If we raise additional funds in the future, we may have to relinquish valuable rights to our technologies, future revenue streams or grant licenses on terms that may not be favorable to us. If we are unable to raise additional funds through equity or debt financings when needed, we may be required to delay, limit, reduce or terminate our product development or future commercialization efforts or grant licenses to develop and market products that we would otherwise prefer to develop and market ourselves.

Cash flows

The following is a summary of cash flows for each of the periods set forth below:

	Year Ended December 31,		Three Months Ended March 31,	
	2012	2013	2013	2014
	(in thousands)			
Net cash (used in) provided by:				
Operating activities	$ (13,303)	$ (18,053)	$ (3,867)	$ (5,791)
Investing activities	(283)	(433)	(35)	(263)
Financing activities	4,551	38,975	39,749	(446)
Net (decrease) increase in cash and cash equivalents	$ (9,035)	$ 20,489	$ 35,847	$ (6,500)

Net cash used in operating activities

Net cash used in operating activities was $5.8 million for the three months ended March 31, 2014, and consisted primarily of a net loss of $6.9 million adjusted for non-cash items including depreciation and amortization expense of $0.1 million, stock-based compensation expense of $0.2 million, a decrease in the fair value of warrants of $0.1 million and a net change in operating assets and liabilities of $0.8 million.

Net cash used in operating activities was $3.9 million for the three months ended March 31, 2013, and consisted primarily of a net loss of $4.6 million adjusted for non-cash items including depreciation and amortization expense of $0.1 million, stock-based compensation expense of $0.1 million, a decrease in the fair value of warrants of $0.1 million and a net change in operating assets and liabilities of $0.6 million.

Net cash used in operating activities was $18.1 million for the year ended December 31, 2013, and consisted primarily of a net loss of $20.6 million adjusted for non-cash items including depreciation and amortization expense of $0.6 million, stock-based compensation expense of $0.6 million, an increase in the fair value of warrants of $0.5 million and a net change in operating assets and liabilities of $0.8 million.

Net cash used in operating activities was $13.3 million for the year ended December 31, 2012, and consisted primarily of a net loss of $14.5 million adjusted for non-cash items including depreciation and amortization expense of $0.6 million, stock-based compensation expense of $0.4 million, decrease in the fair value of warrants of $0.1 million and a net change in operating assets and liabilities of $0.2 million.

Net cash used in investing activities

Net cash used in investing activities was $0.3 million for the three months ended March 31, 2014, and consisted of $0.3 million of purchases of laboratory equipment and computer software.

Net cash used in investing activities was $35,000 for the three months ended March 31, 2013, and consisted of $115,000 of purchases of laboratory equipment, partially offset by $80,000 of proceeds from restricted cash accounts related to an operating lease agreement.

Net cash used in investing activities was $0.4 million for the year ended December 31, 2013, and consisted primarily of capital expenditures of $0.5 million, for purchases of laboratory equipment and leasehold improvements, partially offset by $0.1 million of proceeds from restricted cash accounts related to an operating lease agreement.

Net cash used in investing activities was $0.3 million for the year ended December 31, 2012, and consisted primarily of purchases of laboratory equipment.

Net cash (used in) provided by financing activities

Net cash used in financing activities was $0.4 million for the three months ended March 31, 2014, and consisted of $0.4 million of repayments of notes payable.

Net cash provided by financing activities was $39.7 million for the three months ended March 31, 2013, and primarily related to the sale of 6.9 million shares of our series E preferred stock for net proceeds of $39.8 million, partially offset by repayments of notes payable of $0.1 million.

Net cash provided by financing activities during the year ended December 31, 2013 was primarily related to the sale of 6.9 million shares of our series E preferred stock for net proceeds of $39.8 million, partially offset by repayments of notes payable of $0.8 million.

Net cash provided by financing activities during the year ended December 31, 2012 was primarily related to the issuance of notes payable for net proceeds of $4.9 million, partially offset by repayments of notes payable of $0.4 million.

Contractual Obligations and Contingent Liabilities

The following summarizes our significant contractual obligations as of December 31, 2013:

	Total	Less than 1 Year	1 to 3 Years	3 to 5 Years	More than 5 Years
			(in thousands)		
Operating leases[1]	$ 1,273	$ 649	$ 624	$ —	$ —
Notes payable[2]	5,673	2,066	3,479	128	—
Total obligations	$ 6,946	$ 2,715	$ 4,103	$ 128	$ —

(1) Represents the leases of approximately 27,000 square feet for office, laboratory and manufacturing space in Lexington, Wilmington and Worcester, Massachusetts under noncancelable operating leases that expire in January 2016 and December 2015. On July 11, 2014, we entered into a lease amendment to add approximately 13,500 square feet of additional space in Lexington, Massachusetts. This lease amendment will increase our monthly lease obligation by approximately $39,000 per month through December 2015.

(2) Represents our promissory note with Massachusetts Development Finance Company and our loan and security agreement with Silicon Valley Bank that currently bear interest at annual rates of 6.5% and 6.25%, respectively, and have principal repayment dates through May 2018. The balance for these debt instruments includes interest payment obligations. On July 11, 2014, we entered into a loan and security agreement with Solar Capital, Ltd. We borrowed $10,000,000 of principal, and will be required to make interest-only payments through January 2016, which may be extended to July 2016 upon the satisfaction of specified conditions, and to repay principal and interest in equal monthly installments thereafter through July 2019. In addition, we repaid all outstanding obligations related to our loan and security agreement with Silicon Valley Bank totaling approximately $2,900,000.

Net operating loss carryforwards

We have deferred tax assets of $30.1 million as of December 31, 2013, which have been fully offset by a valuation allowance due to uncertainties surrounding our ability to realize these tax benefits. The deferred tax assets are primarily composed of federal net operating loss, or NOL, tax carryforwards and research and development tax credit carryforwards. As of December 31, 2013, we had federal NOL carryforwards of $56.0 million available to reduce future taxable income, if any. These federal NOL carryforwards are available to offset future taxable income, if any, through 2023. In general, if we experience a greater than 50% aggregate change in ownership of certain significant stockholders over a three-year period, or a Section 382 ownership change, utilization of our pre-change NOL carryforwards are subject to an annual limitation under Section 382 of the Internal Revenue Code of 1986, as amended. Such limitations may result in expiration of a portion of the NOL carryforwards before utilization and may be substantial. We have not conducted an assessment to determine whether there may have been a Section 382 ownership change. If we experience a Section 382 ownership change in connection with this offering or as a result of future changes in our stock ownership, some of which changes are outside of our control, the tax benefits related to the NOL carryforwards may be limited or lost.

Critical Accounting Policies and Use of Estimates

This management's discussion and analysis of financial condition and results of operations is based on our financial statements, which have been prepared in accordance with accounting principles generally accepted in the United States, or GAAP. The preparation of these financial statements requires us to make estimates and assumptions that affect the reported amounts of assets and liabilities and the disclosure of contingent assets and liabilities at the date of the financial statements, as well as the reported revenue and expenses during the reporting periods. These items are monitored and analyzed by us for changes in facts and circumstances, and material changes in these estimates could occur in the future. We base our estimates on historical experience and on various other factors that we believe are reasonable under the circumstances, the results of which form the basis for making judgments about the carrying value of assets and liabilities that are not readily apparent from other sources. Changes in estimates are reflected in reported results for the period in which they become known. Actual results may differ materially from these estimates under different assumptions or conditions.

While our significant accounting policies are more fully described in the notes to our financial statements included elsewhere in this prospectus, we believe that the following accounting policies are critical to the process of making significant judgments and estimates in the preparation of our financial statements and understanding and evaluating our reported financial results.

Revenue recognition

We have generated revenue primarily from research and development agreements and government grants. The timing of cash received from our research and development agreements generally differs from when revenue is recognized. Revenue is recognized when persuasive evidence that an arrangement exists, delivery has occurred or services have been rendered, the price is fixed or determinable and collection is reasonably assured. Revenue earned from activities performed pursuant to research and development agreements and grants are reported as revenue on a proportional performance basis as the work is completed, and the related costs are expensed as incurred as research and development expense.

Amounts received prior to satisfying the revenue recognition criteria are recorded as deferred revenue.

Stock-based compensation

We issue stock-based awards to employees and non-employees, generally in the form of stock options and restricted stock. We account for our stock-based awards in accordance with FASB ASC Topic 718, *Compensation — Stock Compensation*, or ASC 718. ASC 718 requires all stock-based payments to employees, including grants of employee stock options and modifications to existing stock options, to be recognized in the consolidated statements of operations and comprehensive loss based on their grant date fair values. We account for stock-based awards to non-employees in accordance with FASB ASC Topic 505-50, *Equity-Based Payments to Non-Employees*, which requires the fair value of the award to be remeasured at fair value as the award vests. We recognize the compensation cost of stock-based awards to employees and non-employees on a straight-line basis over the vesting period. See below for a detailed description of how we estimate fair value for purposes of option grants and the methodology used in measuring stock-based compensation expense. Following the consummation of this offering, stock option and restricted stock values will be determined based on the market price of our common stock.

We estimate the fair value of our stock-based awards to employees and non-employees using the Black-Scholes-Merton option pricing model, which requires the input of highly subjective assumptions, including (a) the expected volatility of our stock, (b) the expected term of the award,

(c) the risk-free interest rate and (d) expected dividends. Due to the lack of a public market for the trading of our common stock and a lack of company specific historical and implied volatility data, we have based our estimate of expected volatility on the historical volatility of a group of similar companies that are publicly traded. For these analyses, we have selected companies with comparable characteristics to ours, including enterprise value, risk profiles and position within the industry, and with historical share price information sufficient to meet the expected life of the stock-based awards. We compute the historical volatility data using the daily closing prices for the selected companies' shares during the equivalent period of the calculated expected term of our stock-based awards. We will continue to apply this process until a sufficient amount of historical information regarding the volatility of our own stock price becomes available. We have estimated the expected life of our employee stock options using the "simplified" method, whereby the expected life equals the average of the vesting term and the original contractual term of the option. The risk-free interest rates for periods within the expected life of the option are based on the U.S. Treasury yield curve in effect during the period in which the options were granted.

We are also required to estimate forfeitures at the time of grant, and revise those estimates in subsequent periods if actual forfeitures differ from our estimates. We use historical data to estimate pre-vesting option forfeitures and record stock-based compensation expense only for those awards that are expected to vest. To the extent that actual forfeitures differ from our estimates, the difference is recorded as a cumulative adjustment in the period the estimates were revised. Stock-based compensation expense recognized in the financial statements is based on awards that are ultimately expected to vest. If our actual forfeiture rate is materially different from the estimate, our stock-based compensation expense could be different from what we have recorded in the current period.

We have computed the fair value of employee and non-employee stock options at date of grant using the following estimated assumptions:

	Year Ended December 31,		Three Months Ended March 31,	
	2012	2013	2013	2014
Risk-free interest rate	1.35%	1.68%	1.02%	2.04%
Expected dividend yield	0.00%	0.00%	0.00%	0.00%
Expected volatility	64%	63%	64%	62%
Expected term (in years)	6.25 - 10	5.77 - 6.08	6.08	6.02 - 6.08

These assumptions represent our best estimates, but the estimates involve inherent uncertainties and the application of our judgment. As a result, if factors change and we use significantly different assumptions or estimates, our stock-based compensation expense could be materially different.

We have recognized the following compensation cost related to employee and non-employee stock option and restricted stock activity:

	Year Ended December 31,		Three Months Ended March 31,	
	2012	2013	2013	2014
	(in thousands)			
Research and development	$ 160	$ 169	$ 46	$ 56
Selling, general and administrative	243	409	76	183
Total stock-based compensation expense	$ 403	$ 578	$ 122	$ 239

Determination of the Fair Value of Common Stock on Grant Dates

The fair value of the common stock underlying our share-based awards was determined by our board of directors, with input from management and contemporaneous third-party valuations. We believe that our board of directors has the relevant experience and expertise to determine the fair value of our common stock. However, the fair value of our common stock may vary significantly in the future and from the estimates previously made. As described below, the exercise price of our share-based awards was also generally determined by our board of directors based on the most recent contemporaneous third-party valuation.

Given the absence of a public trading market of our common stock, and in accordance with the American Institute of Certified Public Accountants, or AICPA, *Valuation of Privately-Held-Company Equity Securities Issued as Compensation Accounting and Valuation Guide*, or the Practice Aid, the board of directors exercised reasonable judgment and considered numerous objective and subjective factors to determine the best estimate of the fair value of our common stock including:

- our capital structure, including the rights and preferences of our various classes of equity;
- lack of marketability of our common stock;
- our historical operating results, current business conditions and projections;
- our stage of development;
- likelihood of achieving a liquidity event, such as an initial public offering or a merger or acquisition of our company, given prevailing market conditions; and
- the market performance of comparable publicly traded companies.

In valuing our common stock, since 2011, our board of directors determined the equity value of our business using the income approach valuation method or, when applicable due to a recent offering of our redeemable convertible preferred stock, the back solve method of the option pricing model, or OPM, to determine the enterprise value. The income approach determines our enterprise value on the basis of the estimated present value of our projected future cash flows. These future cash flows are discounted to their present values using a discount rate derived from an analysis of the cost of capital of comparable publicly traded companies in our industry or similar lines of business as of each valuation date and this discount rate is adjusted to reflect the risks inherent in our cash flows. Once calculated, the results of the income approach were relied upon to determine an estimated enterprise value.

The back solve method of the OPM estimates our enterprise value by considering any prior sales of our capital stock. When considering prior sales of our equity, the valuation considers the circumstances surrounding the sale, such as the size of the equity sale, the relationship of the parties involved in the transaction, the timing of the equity sale and the rights, preferences and privileges of the capital stock sold in the transaction.

Our peer group of publicly traded companies used for determination of the discount rate and market trading multiples consists of six companies that focus primarily on providing biotechnology diagnostic solutions that are similar to our current product candidates. There are, however, significant size and risk differences between our selected peer group of guideline public companies and us.

For valuations prior to December 31, 2013, after we determined an enterprise value, we utilized the OPM to allocate the equity value to each of our classes of stock. The OPM values each equity class by creating a series of call options on our equity value, with exercise prices based on the liquidation preferences, participation rights and strike prices of derivatives. This method is generally preferred when future outcomes are difficult to predict and dissolution or liquidation is not

imminent. In addition, we considered an appropriate discount adjustment to recognize the lack of marketability as a private company. The OPM uses the Black-Scholes-Merton option-pricing model to price the call option.

Because we believed there was greater clarity about potential exit scenarios, including a possible initial public offering, beginning with the December 31, 2013 valuation described below, we began using the probability weighted expected return method, or PWERM, to allocate our equity value among the various potential outcomes. Using the PWERM, the value of our common stock is estimated based upon an analysis of varying values for our common stock assuming the following possible future events for our company:

- the completion of an initial public offering;
- the completion of a sale of our company; and
- continuation as a private company.

We applied a percentage probability weighting to each of the above scenarios based on our expectations of the likelihood of each event. We then applied the PWERM in order to allocate the derived aggregate enterprise value to our common equity. The PWERM involves analyzing the probability weighted present value of expected future values considering the liquidity scenarios discussed above, as well as the respective rights of holders of our common stock and convertible preferred stock.

Stock Option Grants

The following table presents stock options granted between January 1, 2013 and July 27, 2014:

Date of Grant	Number of Shares Underlying Stock Options Granted	Exercise Price Per Common Share	Common Stock Fair Value Per Share on Grant Date
January 23, 2013	29,411	$ 2.24	$ 2.24
June 25, 2013	281,023	3.21	3.21
September 25, 2013	485,272	3.21	3.21
October 24, 2013	166,029	3.21	3.21
November 20, 2013	109,482	3.21	3.21
January 22, 2014	75,441	3.21	7.62
April 9, 2014	86,172	10.69	10.69
June 25, 2014	43,524	10.69	10.69
July 1, 2014	209,575	10.69	10.69
July 19, 2014	102,448	10.69	10.69

We completed contemporaneous valuations of our common stock on August 31, 2012, March 31, 2013, December 31, 2013 and March 31, 2014, when the board of directors determined business events or transactions may have resulted in a change in the fair value of our common stock. The dates of our contemporaneous valuations have not always coincided with the dates of our stock-based compensation grants. In determining the exercise price of the options set forth in the table above, our board of directors considered, among other things, the most recent contemporaneous valuations of our common stock and our assessment of additional objective and subjective factors it believed were relevant as of the grant date. The additional factors considered when determining any changes in fair value between the recent contemporaneous valuations and the grant dates included, when available, the prices paid in recent transactions involving our equity securities, our operating and financial performance and current business conditions.

Warrants to purchase redeemable securities

In September 2008, we issued warrants to In-Q-Tel, Inc. that were immediately exercisable for 174,530 and 3,612 shares of our series B preferred stock, at an exercise price per share of $3.3232 and $4.65, respectively. In addition, in connection with the loan and security agreement with Silicon Valley Bank, as amended, we issued Silicon Valley Bank warrants that are exercisable for 13,769 shares of series A-2 preferred stock, 9,036 shares of our series B preferred stock and 19,780 shares of series D preferred stock at an exercise price per share of $2.9050, $3.3232 and $4.55, respectively. In May 2011, in connection with a security agreement dated May 9, 2011 with Massachusetts Development Finance Agency, we issued a warrant to Massachusetts Development Finance Agency that is exercisable for 30,000 shares of our series C preferred stock, at an exercise price per share of $3.6608.

These warrants are exercisable into securities that are subject to redemption provisions that are outside of our control. Therefore, the warrants are classified as liabilities and recorded at fair value. The warrants are subject to re-measurement at each balance sheet date and any change in fair value is recognized as a component of other income (expense), net. We measure the fair value of our warrant liability based on input from management and the board of directors, which utilized an independent valuation of enterprise value utilizing an analytical valuation model. The valuations we obtained were prepared in accordance with the guidelines in the Practice Aid. We generally use an income approach to determine the enterprise value. We considered the various methods for allocating the enterprise value across our classes and series of capital stock to determine the fair value of our common stock at each valuation date. We used an OPM to determine the fair value of the warrant liability at December 31, 2012. We used a hybrid of an OPM and a PWERM to determine the fair value of the warrant liability at December 31, 2013 and March 31, 2014. Each valuation methodology includes estimates and assumptions that require our judgment. These estimates and assumptions include a number of objective and subjective factors, including external market conditions affecting the *in vitro* diagnostics industry sector, the prices at which we sold shares of preferred stock, the superior rights and preferences of securities at the time and the likelihood of achieving a liquidity event, such as an initial public offering or a sale of our company.

Pursuant to the terms of these warrants, in connection with the closing of this offering, the warrants will be automatically exercisable on a cashless "net exercise" basis, where the holder receives the net value of the warrant in shares of common stock based on a formula using the initial public offering price. The warrants otherwise terminate upon the closing of this offering. Upon the consummation of this offering, we will issue to each holder of these warrants approximately 0.59 shares of common stock for each share of preferred stock underlying the applicable warrants, assuming an initial public offering price of $16.00 per share, which is the midpoint of the price range set forth on the cover page of this prospectus.

Emerging Growth Company Status

In April 2012, the Jumpstart Our Business Startups Act, or the JOBS Act, was enacted in the United States. Section 107 of the JOBS Act provides that an "emerging growth company" can take advantage of the extended transition period provided in Section 7(a)(2)(B) of the Securities Act of 1933, as amended, for complying with new or revised accounting standards. Thus, an emerging growth company can delay the adoption of certain accounting standards until those standards would otherwise apply to private companies. We have irrevocably elected not to avail ourselves of this extended transition period and, as a result, we will adopt new or revised accounting standards on the relevant dates on which adoption of such standards is required for non-emerging growth companies.

Off-Balance Sheet Arrangements

We did not have during the periods presented, and we do not currently have, any off-balance sheet arrangements, as defined under Securities and Exchange Commission, or SEC, rules.

Quantitative and Qualitative Disclosures about Market Risk

We are exposed to market risk related to changes in interest rates. As of March 31, 2014, we had cash and cash equivalents of $23.7 million held primarily in money market funds consisting of U.S. government-backed securities. Our primary exposure to market risk is interest rate sensitivity, which is affected by changes in the general level of U.S. interest rates, particularly because our investments are in short-term securities. Due to the short-term duration of our investment portfolio and the low risk profile of our investments, an immediate one percent change in interest rates would not have a material effect on the fair market value of our portfolio. We are also subject to interest rate risk from the loans under our credit facility with Solar Capital, Ltd., that bear interest at an annual rate equal to the one-month LIBOR plus 7.05%.

BUSINESS

Overview

We are an *in vitro* diagnostics company that has developed an innovative and proprietary technology platform that offers a rapid, sensitive and simple alternative to existing diagnostic methodologies. We are using our T2 Magnetic Resonance platform, or T2MR, to develop a broad set of applications aimed at lowering mortality rates, improving patient outcomes and reducing the cost of healthcare by helping medical professionals make targeted treatment decisions earlier. T2MR enables rapid detection of pathogens, biomarkers and other abnormalities in a variety of unpurified patient sample types, including whole blood, plasma, serum, saliva, sputum and urine, and can detect cellular targets at limits of detection as low as one colony forming unit per milliliter, or CFU/mL. Our initial development efforts utilizing T2MR target sepsis and hemostasis, which are areas of significant unmet medical need in which existing therapies could be more effective with improved diagnostics. We recently concluded an assessment of the conformity of T2Dx and T2Candida with the essential requirements of the European Union, or EU, *in vitro* diagnostic medical devices directive, allowing us to affix the CE mark to T2Dx and T2Candida. We have completed a pivotal clinical trial for our T2Dx diagnostic instrument and our T2Candida panel, which have the ability to rapidly identify the five clinically relevant species of *Candida*, a fungal pathogen known to cause sepsis. Based on our non-binding communications with the FDA, we believe that the sensitivity and specificity achieved in the clinical trial meet or exceed the requirements for product clearance. On May 27, 2014, we submitted a *de novo* petition to the U.S. Food and Drug Administration, or the FDA, requesting an order authorizing us to market T2Dx and T2Candida in the United States. Upon receipt of marketing authorization from the FDA, we intend to commercialize T2Dx and T2Candida and our goal is to launch these product candidates commercially in the United States in the first half of 2015. Our next two diagnostic applications are called T2Bacteria and T2HemoStat, which are focused on bacterial sepsis infections and hemostasis, respectively. We plan to initiate clinical trials in the second half of 2015 for T2Bacteria and in the first half of 2016 for T2HemoStat. We expect that existing reimbursement codes will support our sepsis and hemostasis product candidates, that we will have no need to seek new reimbursement codes, and that the anticipated economic savings associated with our sepsis products will be realized directly by hospitals.

Sepsis is one of the leading causes of death in the United States and the most expensive hospital-treated condition. Most commonly afflicting immunocompromised, critical care and elderly patients, sepsis is a severe inflammatory response to a bacterial or fungal infection with a mortality rate of approximately 30%. According to data published by the U.S. Department of Health and Human Services for 2011, the cost of sepsis is over $20 billion in the United States, or approximately 5% of the total aggregate costs associated with domestic hospital stays. Sepsis is typically caused by one or more of five *Candida* species or over 25 bacterial pathogens, and effective treatment requires the early detection and identification of these specific target pathogens in a patient's bloodstream. Today, sepsis is typically diagnosed through a series of blood cultures followed by post-blood culture species identification. This method has substantial diagnostic limitations that lead to a delay of up to several days in administration of targeted treatment and the incurrence of unnecessary hospital expense. Without the ability to rapidly identify pathogens, physicians typically start treatment of at-risk patients with broad-spectrum antibiotics, which can be ineffective and unnecessary and have contributed to the spread of antimicrobial resistance. According to a study published by *Critical Care Medicine* in 2006, in sepsis patients with documented hypotension, administration of effective antimicrobial therapy within the first hour of detection was associated with a survival rate of 79.9% and, over the ensuing six hours, each hour of delay in initiation of treatment was associated with an average decrease in survival of 7.6%.

We believe our sepsis product candidates will redefine the standard of care in sepsis management while lowering healthcare costs by improving both the precision and the speed of detection of sepsis-causing pathogens. According to a study published in the *Journal of Clinical Microbiology* in 2010, targeted therapy for patients with bloodstream infections can be delayed up to 72 hours due to the wait time for blood culture results, leading to the conclusion that more-rapid identification of the causative organism would be highly desirable to facilitate targeted treatment in the critical phase of septic illness. In another study published in *Clinical Infectious Diseases* in 2012, the delayed administration of appropriate anti-fungal therapy was associated with higher mortality among patients with septic shock attributed to *Candida* infection and, on that basis, the study stated that more rapid and accurate diagnostic techniques appear to be needed. Our pivotal clinical trial demonstrated that T2Candida can deliver actionable results as fast as three hours, with an average time to result during the trial of 4.2 hours, rather than the two to five days typically required for blood-culture-based diagnostics, which we believe will enable physicians to make treatment decisions and administer targeted treatment to patients on an accelerated basis. We believe that T2Bacteria will also deliver actionable results within these timeframes because this diagnostic panel is designed to run on the same instrument as T2Candida.

Candida has an average mortality rate of approximately 40%, and according to a study published in *Antimicrobial Agents and Chemotherapy* in 2010, this mortality rate can be reduced to 11% with the initiation of targeted therapy within 12 hours of presentation of symptoms. In a study published in the *American Journal of Respiratory and Critical Care Medicine* in 2009, providing targeted antifungal therapy within 24 hours of the presentation of symptoms decreased the average cost of care by approximately $30,000 per patient. We expect the anticipated economic savings associated with our sepsis product candidates will be realized directly by hospitals, as the diagnosis and treatment of sepsis patients in the United States in a hospital inpatient setting is currently reimbursed on an inpatient basis under existing diagnosis-related group, or DRG, codes. These codes provide hospitals with a fixed-sum reimbursement for all items and services provided to the patient during a single hospitalization. Therefore, we do not believe we will need to seek new reimbursement codes for our sepsis product candidates.

Another significant unmet clinical need that we believe can be addressed by T2MR is the timely diagnosis and management of impaired hemostasis, which is a potentially life-threatening condition in which a patient is unable to promote the formation of blood clots to stabilize excessive bleeding. For critical trauma patients with impaired hemostasis, diagnostic results are typically required in fewer than 30 minutes to aid clinicians in making the most effective treatment decisions. The need for rapid diagnosis is not met by current diagnostic methods, which typically involve multiple instruments and can take hours to process a patient specimen. As a result, physicians often make critical decisions for treatment of impaired hemostasis with limited or no diagnostic data.

We believe our combined initial annual addressable market opportunity for sepsis and hemostasis is over $3 billion in the United States alone, when the market opportunity for T2Candida, T2Bacteria and our initial hemostasis diagnostic panel is combined. Within the sepsis market in the United States, we estimate that there are approximately 6.75 million critical care and immunocompromised patients who present with symptoms and are at high risk for a bloodstream infection who would be appropriate to be tested by our T2Candida panel. These patients, along with approximately two million additional patients who receive treatment in the emergency room setting, are also highly susceptible to bacterial infections, for a total of approximately 8.75 million patients who would be appropriate to be tested by our T2Bacteria panel. Within the hemostasis market, for trauma alone, there are over three million patients in the United States annually who present with symptoms of impaired hemostasis. These patients often require rapid and frequent hemostasis assessments to determine the presence and severity of abnormal coagulation, or blood

clotting. As a result, the typical patient is tested at least three times during a hospital visit, which we estimate results in at least nine million diagnostic tests annually.

Our Strategy

T2MR enables rapid and sensitive direct detection of a range of targets, and we believe it can be used in a variety of diagnostic applications that will improve patient outcomes and reduce healthcare costs. Our objective is to establish T2MR as a standard of care for clinical diagnostics. To achieve this objective, our strategy is to:

- ***Seek Marketing Authorization from the FDA for T2Dx and T2Candida.*** We have completed a pivotal clinical trial for T2Dx and T2Candida and, on May 27, 2014, we submitted a *de novo* petition to the FDA for marketing authorization. We are targeting a commercial launch of both products in the first half of 2015. We also expect to seek regulatory clearance and approvals for these product candidates in European and other international markets beginning in the second half of 2014.

- ***Drive Commercial Adoption of Our Sepsis Products by Demonstrating Their Value to Physicians, Laboratory Directors and Hospitals***. We expect our product candidates to meaningfully improve patient outcomes while reducing costs to hospitals. We intend to establish a targeted, direct sales force in the United States, which will initially focus on educating physicians and demonstrating our clinical and economic value proposition to hospitals that have the highest populations of at-risk critical care and immunocompromised patients. We believe a sustained focus on these hospitals will drive adoption of T2Dx, T2Candida and future T2MR-based diagnostics. As a part of this effort, we will continue to work with thought leaders, conduct clinical and health economic studies and seek publication and presentation of these studies.

- ***Establish a Recurring, Consumables-Based Business Model.*** We intend to pursue a consumables-based business model for our products by securing placements of our T2Dx instrument at hospitals and driving utilization of our diagnostic panels starting with T2Candida. We believe this strategy will foster a sustainable and predictable business model with recurring revenue streams.

- ***Broaden Our Addressable Markets in Sepsis and Hemostasis.*** Our product development pipeline includes additional instruments and diagnostic panels that provide near-term and complementary market expansion opportunities. Our next sepsis product candidate will focus on bacterial infections, will run on T2Dx and is expected to address the same high-risk patients as T2Candida, while also expanding our reach to a new patient population at increased risk for bacterial sepsis infections. We also are utilizing T2MR to address the challenges of providing rapid hemostasis monitoring. We expect to initiate pivotal clinical trials for our bacterial diagnostic panel, T2Bacteria, and our hemostasis instrument and diagnostic panel, T2Stat and T2HemoStat in the second half of 2015 and the first half of 2016, respectively. We are targeting to commercialize these product candidates in 2017 after obtaining marketing authorization or regulatory clearance.

- ***Broaden Our Addressable Markets Beyond Sepsis and Hemostasis.*** We intend to expand our product offerings by applying T2MR to new applications beyond sepsis and hemostasis. We plan to conduct internal development and to work with thought leaders, physicians, clinical researchers and business development partners to pursue new applications for T2MR. We believe the benefits of our proprietary technology, including the ability to rapidly and directly detect a broad range of targets, in a wide variety of sample types, will have potential applications within and outside of the *in vitro* diagnostics market, including environmental, food safety, industrial and veterinary applications.

- ***Drive International Expansion.*** If we receive marketing authorization from the FDA or other regulatory approvals, we plan to commercialize our product candidates in European and other international markets. We are in the process of developing distribution and commercialization strategies for these markets.

Our Technology Platform

T2 Magnetic Resonance Platform Overview

We have built an innovative and proprietary technology platform that offers a rapid, sensitive and simple alternative to existing diagnostic methodologies. T2MR is a miniaturized, magnetic resonance-based approach that measures how water molecules react in the presence of magnetic fields. Our proprietary platform is capable of detecting a variety of targets, including:

- molecular targets, such as DNA;
- immunodiagnostics, such as proteins; and
- a broad range of hemostasis measurements.

For molecular and immunodiagnostics targets, T2MR utilizes advances in the field of nanotechnology by deploying particles with magnetic properties that enhance the magnetic resonance signals of specific targets. When particles coated with target-specific binding agents are added to a sample containing the target, the particles bind to and cluster around the target. This clustering changes the microscopic environment of water in that sample, which in turn alters the magnetic resonance signal, or the T2 relaxation signal that we measure, indicating the presence of the target.

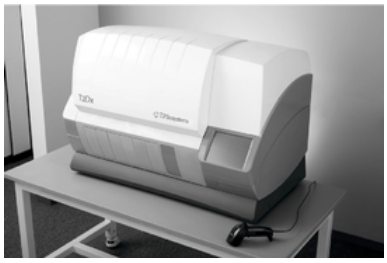
For hemostasis measurements, particles are not required because T2MR is highly sensitive to changes in viscosity in a blood sample, such as clot formation, stabilization or dissipation, which changes the T2 relaxation signal. This enables the rapid identification of clinically relevant hemostasis changes.

We also believe T2MR is the first technology that can rapidly and accurately detect the presence of molecular targets within samples without the need for time- and labor-intensive purification or extraction of target molecules from the sample, such as that required by traditional polymerase chain reaction, or PCR, where 90% or more of the target can be lost. We can eliminate these steps because the T2 relaxation signal is not compromised or disrupted by the sample background, even the highly complex sample background that is present after a target amplification process, such as thermocycling. This enables T2MR's low limit of detection, such as 1 CFU/mL, compared to the 100 to 1,000 CFU/mL typically required for PCR-based methods. Over 100 studies published in peer-reviewed journals have featured T2MR in a breadth of applications, including the direct detection and measurement of targets in various sample types, such as whole blood, plasma, serum, saliva, sputum and urine. We believe the potential applications for T2MR extend within and outside of the *in vitro* diagnostics market, including environmental, food safety, industrial and veterinary applications.

Our Instruments

Utilizing T2MR, we have developed T2Dx, a bench-top instrument for sepsis and other applications, and we are developing T2Stat, a compact, fully integrated instrument for hemostasis applications.

T2Dx



T2Dx is an easy-to-use, bench-top instrument that is capable of running a broad range of diagnostic tests and is fully automated from patient sample input to result, eliminating the need for manual work flow steps such as pipetting that can introduce risks of cross-contamination. To perform a diagnostic test, the patient sample tube is snapped onto our disposable test cartridge, which is pre-loaded with all necessary reagents. The cartridge is then inserted into T2Dx, which automatically processes the sample and then delivers a diagnostic test result.

The initial panels designed to run on T2Dx are T2Candida and T2Bacteria, which are focused on identifying life-threatening pathogens associated with sepsis. We recently completed our pivotal clinical trial for T2Dx and T2Candida, and expect to initiate pivotal clinical trials for T2Bacteria in the second half of 2015.

T2Stat

We are also applying T2MR to develop T2Stat, which we believe will be the first compact, fully integrated instrument capable of rapidly providing comprehensive hemostasis measurements. T2Stat will run our T2HemoStat panel, which includes a broad set of hemostasis measurements, including platelet function, clotting time and clot degradation, also known as fibrinolysis. We expect to initiate a pivotal clinical trial for T2Stat and T2HemoStat in the first half of 2016.

The following table reflects our product candidate pipeline currently in development:

Development	Validation	Pivotal Trial	Expected FDA Filing
Instruments			
T2Dx (infectious disease)			Submitted on May 27, 2014
T2Stat (hemostasis)		1H 2016	2017
Diagnostics			
T2Candida (sepsis)			Submitted on May 27, 2014
T2Bacteria (sepsis)		2H 2015	2016
T2HemoStat (hemostasis)		1H 2016	2017

Sepsis

Overview

Sepsis is an illness in which the body has a severe, inflammatory response to a bacterial or fungal infection. It is a life-threatening condition to which individuals with weakened immune systems or chronic illnesses are highly susceptible. Sepsis can lead to shock and organ failure, and is a leading cause of death in the United States with a mortality rate of approximately 30%, almost double the mortality rate of acute myocardial infarction, or heart attack.

In 2013, the U.S. Department of Health and Human Services reported that sepsis is the most expensive hospital-treated condition in the United States, with an economic burden to hospitals exceeding $20 billion annually, almost double that of acute myocardial infarction. The high cost of treating sepsis is primarily driven by the extended hospitalization of patients. We believe there are many effective, targeted therapeutic choices that could reduce overall hospitalization costs if applied earlier, but clinicians need to more rapidly identify the specific sepsis-causing pathogens in order to make more informed, targeted treatment decisions. Today, the diagnostic standard to identify these pathogens is blood culture-based, despite typically requiring two to five days to generate results.

The following table reflects key statistics from the 2013 U.S. Department of Health and Human Services study regarding the five most expensive hospital-treated conditions:

Rank	Condition	U.S. hospital costs (in billions)	Percentage of total inpatient costs
1	Sepsis	$ 20.3	5.2%
2	Osteoarthritis	14.8	3.8
3	Complication of device, implant or graft	12.9	3.3
4	Liveborn	12.4	3.2
5	Acute myocardial infarction (heart attack)	11.5	3.0

Over 1.6 million individuals are diagnosed with sepsis each year, 1.35 million of whom are at high risk for infection due to their suppressed immune system or their presence in critical care units. Virtually all of these patients are rapidly treated with broad-spectrum antibiotic drugs because there is no diagnostic manner for determining the type of infection. Of these 1.35 million patients with sepsis and at high risk for infection, approximately 40% do not respond to broad-spectrum antibiotic treatment. Of these patients that are non-responsive, approximately 25% of them have a *Candida* infection, with the remaining patients having a bacterial infection. Broad-spectrum antibiotics do not treat these *Candida* and bacterial infections as more targeted drugs are required.

We estimate that approximately 15 million patients are tested for blood stream infections in the United States annually. Of these, approximately 6.75 million are at high risk for a *Candida* infection and an additional two million, or approximately 8.75 million, in total are at high risk for a bacterial infection. We believe that our sepsis product candidates have the potential to enable clinicians to make earlier therapeutic decisions that can reduce the mortality rate for sepsis by over 50% and save the hospitals an estimated $12 billion annually by testing all high risk patients with T2Candida and T2Bacteria.

There is also a significant market opportunity outside the United States for improved sepsis diagnosis, as this disease burdens other countries with similarly high mortality rates and high costs. Each year, over 18 million cases of sepsis are diagnosed worldwide, with estimated mortalities exceeding five million patients, making it a leading cause of death worldwide.

Limitations of Traditional In Vitro Diagnostics for Sepsis

The current standard for identifying bloodstream infections that cause sepsis requires a series of lengthy and labor-intensive analyses that begin with blood culture. Completing a blood culture requires a large volume of a patient's blood, typically 20 mLs or more, which is obtained in two 10 mL draws and placed into two blood culture bottles containing nutrients formulated to grow fungi and bacteria. Before blood culture indicates if a patient is infected, pathogens typically must reach a concentration of 1,000,000 to 100,000,000 CFU/mL. This growth process typically takes two to five days because the pathogen's initial concentration in the blood specimen is often less than 10 CFU/mL. A negative test result always requires a minimum of five days. A positive blood culture typically means that some pathogen is present, but additional steps must be performed to identify the specific pathogen in order to provide targeted therapy. These additional steps, which typically must be performed by a highly trained technician, may involve any of (i) a staining procedure for inspection on a microscope slide, (ii) PCR amplification and (iii) mass spectrometry. These steps require a preceding positive blood culture specimen because they need a high concentration of cells generated by the blood culture process for analysis.

For PCR-based diagnostics, there is a requirement for extraction of target cells from the sample into a clear solution, where 90% or more of the cells can be lost. Extraction into a clear solution is needed because existing diagnostic detection methods cannot detect the targeted pathogen due to the complex background of the sample itself. While PCR amplifies the target signal, this loss of target cells impairs the ability to detect, resulting in typical limits of detection of 100 to 1,000 CFU/mL, which is insufficient for species-specific sepsis diagnostics.

Blood culture-based diagnostics have substantial limitations, including:

- **Time to Result Delays Targeted Treatment.** Blood culture-based diagnostics typically require a minimum of two and as many as five or more days to identify a pathogen species, and blood culture always requires at least five days to generate a negative test result.

- **Antimicrobial Therapy Can Cause False Negative Results.** Antimicrobial therapies may be administered to a patient prior to taking a blood sample. As a result, the therapeutic agent is contained in the blood sample and its ability to stop or slow the growth of pathogens can delay or completely inhibit the growth of the pathogen during the blood culture process leading to time delays in detection or false negative results.

- **Slow-Growing Pathogens Can Cause False Negative Results.** Some sepsis pathogens grow slowly or not at all and can require up to five or more days to reach sufficient concentrations to be detected by blood culture-based diagnostics. Blood culture procedures are typically stopped after five days and declared negative. Often, pathogens that grow too slowly are not detected by blood culture during this time frame, leading to a false negative diagnosis. For example, *C. glabrata*, one of the most lethal species of *Candida* due to its growing resistance to antifungal therapy, often requires more than five days of growth to reach a detectable concentration, and therefore is frequently undetected by blood culture.

- **Labor-Intensive Workflow Increases Costs and May Delay Targeted Treatment.** Blood culture is only the first step in identifying a pathogen that causes sepsis. After a blood culture is determined to be positive, highly trained technicians are required to perform multiple post-culture procedures on the blood culture specimen to identify the specific pathogen. These additional procedures can be expensive and time-consuming and may delay targeted treatment.

Given the typical two- to five-day time to result for blood culture-based diagnostics, the first therapy for a patient at risk of sepsis is often broad-spectrum antibiotics, which treat some but not all bacteria types and do not address fungal infections. Some physicians may use first-line, antifungal therapy for patients at very high risk for fungal infection, or use antifungal therapy if the

patient is not responding to broad-spectrum antibiotics while they are still awaiting the blood culture-based result. This therapeutic approach may still not treat the growing number of patients infected with the antimicrobial-resistant species nor may it be the best choice, as the type of therapy is dependent on the specific pathogen causing the infection, which is unknown.

This inefficient therapeutic approach has resulted in unnecessary treatment of a significant number of high-risk patients with expensive and often toxic therapies that can worsen a patient's condition. Such treatments may extend for many days while clinicians await blood culture-based diagnostic results. The overuse of ineffective, or even unnecessary, antimicrobial therapy is also the driving force behind the spread of antimicrobial-resistant pathogens, which the U.S. Centers for Disease Control and Prevention, or the CDC, recently called "one of our most serious health threats." The CDC has specifically noted increasing incidence of *Candida* infections due to azole- and echinocandin-resistant strains and considers it a "serious" threat level. According to the CDC, at least two million people in the United States acquire serious infections each year that are resistant to one or more of the antimicrobial therapies used to treat these patients. At least 23,000 of these people are estimated to die as a direct result of the resistant infections and many more may die from other conditions that are complicated by a resistant infection. Further, antimicrobial-resistant infections add considerable and avoidable costs to the already overburdened U.S. healthcare system, with the total economic cost estimated to be as high as $20 billion in excess of direct healthcare costs, with additional costs to society as high as $35 billion, due to lost productivity.

Our Solution

T2MR delivers what we believe no other technology can: a rapid, sensitive and simple diagnostic platform that enables sepsis applications, including T2Candida and T2Bacteria, that can identify specific sepsis pathogens directly from an unpurified blood sample in hours instead of days at a level of accuracy equal to or better than blood culture-based diagnostics. We believe T2MR sepsis applications provide a pathway for more rapid and targeted treatment of infections, potentially reducing the mortality rate by as much as 75% if a patient is treated within 12 hours of suspicion of infection and significantly reducing the cost burden of sepsis. Each year, approximately 500,000 patients in the United States die from sepsis. According to a study published by *Critical Care Medicine* in 2006, in sepsis patients with documented hypotension, administration of effective antimicrobial therapy within the first hour of detection was associated with a survival rate of 79.9% and, over the ensuing six hours, each hour of delay in initiation of treatment was associated with an average decrease in survival of 7.6%; the survival rate for septic patients who remained untreated for greater than 36 hours was approximately 5%.

We believe T2MR sepsis applications address a significant unmet need in *in vitro* diagnostics by providing:

- **Limits of Detection as Low as 1 CFU/mL.** T2MR is the only technology that can enable identification of sepsis pathogens directly from a patient's blood sample at limits of detection as low as 1 CFU/mL.
- **Rapid and Specific Results As Fast As Three Hours.** T2MR is the only technology that can enable species-specific results for pathogens associated with sepsis, directly from a patient's blood sample, without the need for blood culture, to deliver actionable results as fast as three hours.
- **Accurate Results Even in the Presence of Antimicrobial Therapy.** T2MR is the only technology that can reliably detect pathogens associated with sepsis, including slow-growing pathogens, such as *C. glabrata*, directly from a patient's blood sample, even in the presence of an antimicrobial therapy.
- **Easy-to-Use Platform.** T2MR eliminates the need for sample purification or extraction of target pathogens, enabling sample-to-result instruments that can be operated on-site by hospital staff, without the need for highly skilled technicians.

Our first product candidates, T2Dx and T2Candida, focus on the most lethal form of common blood stream infections that cause sepsis, *Candida*, which has an average mortality rate of approximately 40%, and according to a 2005 report published in *Antimicrobial Agents and Chemotherapy*, this high mortality rate can be reduced to 11% with the initiation of targeted therapy within 12 hours of presentation of symptoms. Currently, a typical patient with a *Candida* infection averages 40 days in the hospital, including nine days in intensive care, resulting in an average cost per hospital stay of over $130,000 per patient. In a study published in the *American Journal of Respiratory and Critical Care Medicine* in 2009, providing targeted antifungal therapy within 24 hours of the presentation of symptoms decreased the length of hospital stay by approximately ten days and decreased the average cost of care by approximately $30,000 per patient. In addition, many hospitals initiate antifungal drugs, such as Caspofungin or Micafungin, while waiting for blood culture-based diagnostic results. We estimate this practice costs approximately $500 per patient and is currently in use for over 40% of high-risk patients on average and for all high-risk patients in some hospitals. A negative result from T2Candida can provide timely data allowing physicians to avoid unnecessary antifungal treatment and potentially reduce the treatment cost further.

We believe that by identifying the specific species of *Candida*, physicians can administer the most effective therapy, which will significantly improve patient outcomes and reduce hospital costs. We further believe that the adoption of T2Dx and T2Candida can decrease both the high mortality rate and excessive costs of *Candida* infections because these products can enable clinicians to make earlier and more informed decisions by providing positive test results to direct therapy and negative test results to reduce the use of antifungal drugs.

We surveyed 111 decision-makers involved with laboratory purchasing, including laboratory directors, hospital administrators and infectious disease physicians, in a web-based survey to seek their views on acceptable pricing for T2Candida in exchange for an honorarium. Based on the survey, we believe that with 90% sensitivity, 95% specificity and a cost savings of $650 per tested patient, T2Candida would be adopted by nearly 50% of physicians at a selling price of $200 per test. However, we expect that cost savings will be $800 per patient and we observed overall sensitivity of 91.1% and specificity of 99.4% in our direcT2 clinical trial described below. Based on the survey results, we believe that the average selling price for T2Candida is likely to be between $150 and $250 per test. Additionally, in this survey, 95% of laboratory directors and hospital administrators, along with 89% of infectious disease physicians, either "strongly agreed" or "agreed" that initiating appropriate antifungal therapy within 12 hours of the patient presenting with symptoms would be likely to provide the following benefits:

- reduction in the mortality rate from an average of 40% to approximately 10% for candidemia patients;
- direct cost-savings as a result of an average of nine fewer days of hospitalization for each candidemia patient, including two fewer days of stay in the intensive care unit; and
- a meaningful decrease in antifungal therapy utilization in a hospital due to cessation of therapy based on a negative test result.

The surveyed physicians also indicated that, on average, they would order T2Candida for approximately 75% of their patients considered at-risk for *Candida* infections.

We are also developing T2Bacteria, a multiplex diagnostic panel that detects the major bacterial pathogens associated with sepsis that are frequently not covered by first-line antibiotics. T2Bacteria will also run on T2Dx, and is expected to address the same approximately 6.75 million symptomatic high-risk patients, as T2Candida while also expanding our reach to a new population of patients who are at increased risk for bacterial infections, including an additional two million people presenting with symptoms of infection in the emergency room setting. We expect that T2Bacteria will achieve similar performance capabilities and provide similar benefits as T2Candida.

Clinical Utility

direcT2 Clinical Trial

We recently completed a pivotal clinical trial for our T2Dx diagnostic instrument and our T2Candida panel, or the direcT2 trial, and have provided the results of that trial to the FDA in conjunction with our *de novo* petition requesting an order authorizing us to market T2Dx and T2Candida. Our direcT2 trial consisted of two patient arms. The first arm, known as the Prospective Arm, consisted of 1,501 samples from patients with a possible infection. The second arm, known as the Contrived Arm, consisted of 300 samples, of which 250 patient specimens were labeled contrived because each contained a known quantity of *Candida* CFUs that were manually added to each sample, or spiked, at clinically relevant concentrations, while the remaining 50 patient specimens were specifically known not to contain *Candida*. The direcT2 trial was designed to evaluate the sensitivity and specificity of T2Candida on the T2Dx instrument.

Sensitivity is the percent concordance, or the percentage of sample results that agree with a reference, or comparative, method for positive results. Specificity is the percent concordance to a reference method for negative results. If a sample does not agree with the result of a referenced method, it is considered discordant. In our clinical trial, the Prospective Arm was compared to blood culture and the Contrived Arm was compared to the known state, which means that it was in the known presence or absence of added *Candida* organisms.

The design of the direcT2 trial was reviewed by the FDA as part of pre-submission communications. The purpose of the direcT2 trial was to determine the clinical performance of T2Candida running on the T2Dx by identifying the following:

- clinical specificity of T2Candida results as compared to *Candida* negative blood culture results in specimens collected from patients in the Prospective Arm;
- clinical specificity of T2Candida results as compared to *Candida* negative samples collected from patients in the Contrived Arm;
- clinical sensitivity of T2Candida results as compared to the known *Candida*-positive specimens collected from patients in the Contrived Arm; and
- clinical sensitivity calculations of T2Candida results compared to the *Candida*-positive blood culture results in specimens collected from patients in the Prospective Arm.

Key findings from the direcT2 trial are:

- the overall sensitivity (Prospective and Contrived Arm combined) of T2Candida was 91.1%;
- the average specificity of the three test results for the Prospective and Contrived Arms combined was 99.4% (see Table A) with the specificity by test result ranging from 98.9% to 99.9% (see Table B);
- in the Contrived Arm of the study, the average specificity was 99.8%, with the specificity by test result ranging from 99.6% to 100% (see Table C);
- in the Prospective Arm of the study, the average specificity was 99.3%, with the specificity by test result ranging from 98.8% to 99.9% (see Table C);
- in the Contrived Arm of the study, the average sensitivity was 91.6%, with the sensitivity by test result ranging from 88.0% to 94.0% (see Table C); and
- in the Prospective Arm of the study, the average sensitivity was 71.4% (see Table C).

In this study, we also observed the following:

- within the Prospective Arm, T2Candida accurately detected a rare co-infection in one study patient with *C. albicans* and *C. parapsilosis* in their bloodstream;

- T2Candida detected at least one infection that was not identified by blood culture, which was determined to be a *Candida* infection seven days after the T2Candida result was obtained. This case is considered a discordant result for the purposes of the FDA filing because of the disagreement between T2Candida and the blood culture-based results, despite the accurate identification by T2Candida, and it indicates that the true sensitivity and specificity of T2Candida may be higher than the reported values;

- the limit of detection, or LoD, of T2Candida was demonstrated to be 1 to 3 CFU/mL depending upon the species of *Candida* (see Table D). In the Contrived Arm of the study, T2Candida positively detected 97.9% of the samples spiked at and above the LoD while also detecting 72.6% of all samples spiked at concentration levels below the LoD (see Table E);

- in the Contrived Arm of the study, T2Candida detected 97% of cases at or above 1 CFU/mL and 70% of cases below 1 CFU/mL (see Table F);

- in the Contrived Arm of the study, T2Candida detected 98% of cases at or above clinically relevant concentrations of *Candida*, ranging from 95% to 100% detection depending on the *Candida* species (see Table G); and

- T2Candida demonstrated an average time to result during the trial of 4.2 hours.

50 known negative samples and 250 contrived samples (50 samples for each of the five *Candida* species included in the T2Candida panel) were prepared and run in a blinded manner at the same clinical sites used for processing the prospective samples. The positive contrived samples were prepared by spiking clinical isolates into individual patient specimens at concentrations determined through publications and discussions with the FDA to be equivalent to the clinical state of patients who presented with symptoms of a *Candida* infection. 20% of the positive contrived samples were spiked at concentrations levels of less than 1 CFU/mL. The contrived samples were collected from patients referred for a diagnostic blood culture per routine standard of care — the same population of patients from whom prospective samples were collected. Unique isolates of the species were used for each patient sample, which means a total of 50 unique isolates were tested for each of the five species of *Candida* for a total of 250 unique isolates.

In addition to the pivotal clinical trial data that we have submitted to the FDA, we provided data from an analytical verification study to determine the LoD for each species identified by our T2Candida panel. The LoD was defined as the lowest concentration of *Candida* that can be detected in 95% of at least 20 samples tested at a single concentration.

The T2Candida panel reports three results, where species are grouped together according to their responsiveness to therapy. *Candida albicans* and/or *Candida tropicalis* are reported as a single result, *Candida parapsilosis* is a single result, and *Candida krusei* and/or *Candida glabrata* are reported as a single result. Specificity and sensitivity are calculated for each reported result.

There are five relevant species of *Candida*, each of which were analyzed in the direcT2 trial. Each are listed in abbreviated form in the tables below. These species are *Candida albicans*, *Candida tropicalis*, *Candida parapsilosis*, *Candida krusei*, and *Candida glabrata*. The typical naming convention for a species is to abbreviate by using the first letter of the first word and the full second word, for example, *Candida krusei* is abbreviated as *C. krusei*. In the tables below, we also abbreviate each species name by the first letter of the second word, for example, *Candida albicans* and *Candida tropicalis* is A/T.

The following tables illustrate the results of the direcT2 trial. The primary sensitivity and specificity analysis is presented in Table A, followed by sub-analyses in Tables B and C. Additional

data on the LoD and the time to results of T2Candida and T2Dx are included in the remaining tables.

Table A
T2Candida Performance Characteristics

	Overall Sensitivity	Overall Specificity
Number of Tests (%)	234/257 (91.1%)	5114/5146 (99.4%)

Table B
Overall Sensitivity and Specificity by Test

		95% Confidence Interval
Specificity:		
A/T (*C. albicans/C. tropicalis*)	1679/1697 (98.9%)	98.3-99.4%
P (*C. parapsilosis)*	1736/1749 (99.3%)	98.7-99.6%
K/G (*C. krusei/C. glabrata)*	1699/1700 (99.9%)	99.7-100.0%
Total:	5114/5146 (99.4%)	99.1-99.6%
Sensitivity:		
A/T (*C. albicans/C. tropicalis)*	96/104 (92.3%)	85.4-96.6%
P (*C. parapsilosis)*	49/52 (94.2%)	84.1-98.8%
K/G (*C. krusei/C. glabrata)*	89/101 (88.1%)	80.2-93.7%
Total:	234/257 (91.1%)	86.9-94.2%

Table C
Study Arm Sensitivity and Specificity by Test

		95% Confidence Interval
Specificity (Prospective tests):		
A/T (*C. albicans/C. tropicalis*)	1479/1497 (98.8%)	98.1-99.3%
P (*C. parapsilosis)*	1487/1499 (99.2%)	98.6-99.6%
K/G (*C. krusei/C. glabrata)*	1499/1500 (99.9%)	99.6-100.0%
Total:	4465/4496 (99.3%)	99.0-99.5%
Sensitivity (Prospective tests):		
A/T (*C. albicans/C. tropicalis)*	2/4 (50.0%)	6.8-93.2%
P (*C. parapsilosis)*	2/2 (100.0%)	15.8-100.0%
K/G (*C. krusei/C. glabrata)*	1/1 (100.0%)	2.5-100.0%
Total:	5/7 (71.4%)	29.0-96.3%
Specificity (Contrived tests):		
A/T (*C. albicans/C. tropicalis)*	200/200 (100.0%)	98.2-100.0%
P (*C. parapsilosis)*	249/250 (99.6%)	97.8-100.0%
K/G (*C. krusei/C. glabrata)*	200/200 (100.0%)	98.2-100.0%
Total:	649/650 (99.8%)	99.1-100.0%
Sensitivity (Contrived tests):		
A/T (*C. albicans/C. tropicalis)*	94/100 (94.0%)	87.4-97.8%
P (*C. parapsilosis)*	47/50 (94.0%)	83.5-98.7%
K/G (*C. krusei/C. glabrata)*	88/100 (88.0%)	80.0-93.6%
Total:	229/250 (91.6%)	87.4-94.7%

Table D
T2Candida Limit of Detection

Species	Final LoD CFU/mL
C. albicans	2
C tropicalis	1
C. parapsilosis	3
C. glabrata	2
C. krusei	1

Table E
Sensitivity Sub-Analysis: Sensitivity by Species Relative to LoD

		³ LoD		< LoD	
	LoD (CFU/ml)	Sensitivity	95% Confidence Interval	Sensitivity	95% Confidence Interval
C. albicans	2	39/39 (100.0%)	91.0-100.0%	9/11 (81.8%)	48.2-97.7%
C. glabrata	2	35/37 (94.6%)	81.8-99.3%	7/13 (53.8%)	25.1-80.8%
C. krusei	1	40/40 (100.0%)	91.2-100.0%	6/10 (60.0%)	26.2-87.8%
C. parapsilosis	3	32/32 (100.0%)	89.1-100.0%	15/18 (83.3%)	58.6-96.4%
C. tropicalis	1	38/40 (95.0%)	83.1-99.4%	8/10 (80.0%)	44.4-97.5%
Total:		184/188 (97.9%)	94.6-99.4%	45/62 (72.6%)	59.8-83.1%

Table F
Sensitivity Sub-Analysis: Sensitivity by Titer Level

	<1 CFU/ml Sensitivity	1 - 10 CFU/ml Sensitivity	11 - 30 CFU/ml Sensitivity	31 - 100 CFU/ml Sensitivity
C. albicans	8/10 (80.0%)	18/18 (100.0%)	17/17 (100.0%)	5/5 (100.0%)
C. glabrata	5/10 (50.0%)	16/18 (88.9%)	16/17 (94.1%)	5/5 (100.0%)
C. krusei	6/10 (60.0%)	18/18 (100.0%)	17/17 (100.0%)	5/5 (100.0%)
C. parapsilosis	8/10 (80.0%)	17/18 (94.4%)	17/17 (100.0%)	5/5 (100.0%)
C. tropicalis	8/10 (80.0%)	16/18 (88.9%)	17/17 (100.0%)	5/5 (100.0%)
Total:	35/50 (70.0%)	85/90 (94.4%)	84/85 (98.8%)	25/25 (100.0%)

Table G
Sensitivity Sub-Analysis: Sensitivity by Species Relative to Clinically Relevant Concentrations

Species	Clinically Relevant Concentration	Sensitivity £ Relevant CFU	Sensitivity ³ Relevant CFU
C. tropicalis	1-10 CFU/mL	80%	95%
C. krusei	11-30 CFU/mL	85.7%	100%
C. glabrata	11-30 CFU/mL	75%	96%
C. albicans	1-10 CFU/mL	80%	100%
C. parapsilosis	11-30 CFU/mL	89.3%	100%
Total		82.7%	98%

Table H
Time to species identification or negative result for T2MR and Blood Culture

	Blood Culture	T2Dx
Time to Results (hours)		
Mean ± SD (N)	126.5 ± 27.3 (1470)	4.2 ± 0.9 (1470)
Median	121.0	4.1
(Min, Max)	(12.4, 247.2)	(3.0, 7.5)
Time to Positive Results[1,2] (hours)		
Mean ± SD (N)	43.6 ± 11.1 (4)	4.4 ± 1.0 (4)
Median	46.1	4.6
(Min, Max)	(28.1, 54.1)	(3.2, 5.4)
Time to Negative Results[1,2] (hours)		
Mean ± SD (N)	126.7 ± 27.0 (1466)	4.2 ± 0.9 (1466)
Median	121.1	4.1
(Min, Max)	(12.4, 247.2)	(3.0, 7.5)

(1) Includes samples that are 100% concordant for both methods (i.e. does not include discordant results). We do not include discordant results because a comparison of the duration of time to positive result requires that both the blood culture result and the T2Candida result be positive for a given specimen. Similarly, a comparison of the duration of time to negative result requires that both the blood culture result and the T2Candida result be negative for a given specimen. We therefore would exclude any sample with a discordant result where blood culture yields one result and T2Candida yields the opposite result.

(2) Refers to time to species identification or final negative result.

Massachusetts General Hospital Study — Science Translational Medicine

We co-authored a study with investigators from Massachusetts General Hospital, or MGH, to evaluate the sensitivity and specificity of T2MR to detect *Candida* compared to blood culture-based diagnostics. Results from the study were published in an article entitled "T2 Magnetic Resonance Enables Nanoparticle-Mediated Rapid Detection of Candidemia in Whole Blood" in *Science Translational Medicine* in 2013. In this study:

- T2MR was tested across 320 contrived whole blood samples, each containing one of the five clinically relevant species of *Candida*, and was able to detect each of the species at an LoD ranging from 1 to 3 CFU/mL.
- T2MR was tested across 24 whole blood specimens from patients exhibiting symptoms of sepsis, with eight *Candida* positive, eight bacteria positive and eight negative samples. Results showed 100% sensitivity and 100% specificity of T2MR when compared with blood culture results for identification of *Candida*.
- In patients with *Candida* treated with antifungal therapy, T2MR detected the presence of *Candida* in patient samples drawn up to four days after antifungal administration, while blood culture failed to identify the infection upon administration of antifungal therapy.

University of Houston Study — Diagnostic Microbiology and Infectious Disease

We sponsored an independent study at the University of Houston to directly compare the sensitivity and time to result of T2Candida running on T2Dx and blood culture-based diagnostics. In this study, contrived blood samples were split between T2Candida using T2Dx and standard blood

culture. The study showed improved performance of T2Candida over blood culture in terms of speed and sensitivity. The following findings were published in an article entitled "Comparison of the T2Dx instrument with T2Candida Diagnostic Panel and Automated Blood Culture in the Detection of *Candida* Species Using Seeded Blood Samples" in *Diagnostic Microbiology and Infectious Disease* in 2013:

- T2Candida detected all of the samples of *C. glabrata* at concentrations of 2.8 CFU/mL, while blood culture was not able to detect *C. glabrata* in any of the samples, even at a higher concentration of 11 CFU/mL and with the standard five-day run time.
- T2Candida detected all of the samples for all of the species of *Candida* at concentration levels of 3.1 to 11 CFU/mL.
- The average time to species identification was approximately three hours for T2Candida, as opposed to over 60 hours for blood culture.

The following table summarizes the results of our University of Houston study. The five relevant species of *Candida* were analyzed in the University of Houston study.

Contrived blood samples at concentrations between 3.1 - 11 CFU/mL

	Blood Culture (n=20 per species)		T2Candida (n=13-20 per species)	
Average time to positive result	63.23 ± 30.27 hours		3 hours	
Detection rate	*C. albicans*	= 100%	*C. albicans*	= 100%
	C. tropicalis	= 100%	*C. tropicalis*	= 100%
	C. parapsilosis	= 100%	*C. parapsilosis*	= 100%
	C. glabrata	= 0%	*C. glabrata*	= 100%
	C. krusei	= 100%	*C. krusei*	= 100%
Sensitivity			100%	
Specificity			98%	

Hemostasis

Another significant unmet clinical need is the diagnosis and management of impaired hemostasis, which is a life-threatening condition in which a patient is unable to promote the formation of blood clots to stabilize excessive bleeding. Within the broader population of patients with symptoms of impaired hemostasis, there are over three million trauma patients in the United States annually. These trauma patients typically face life-threatening injuries or invasive surgical procedures. Approximately 25% of trauma patients have impaired hemostasis, which frequently goes undetected during the initial hospitalization. According to a study in the *Journal of the American College of Surgeons*, for trauma patients with symptoms of impaired hemostasis, mortality was reduced from 45% to 19% with more rapid delivery of therapy. Today, there is no hemostasis diagnostic method that can rapidly provide comprehensive results. We estimate that rapid, targeted treatment for trauma patients with impaired hemostasis can reduce healthcare costs in the United States by nearly $2 billion each year due to more efficient utilization of scarce and expensive blood products and more rapid patient stabilization, reducing length of hospital stays by approximately 20%.

Because the hemostasis status of trauma patients changes frequently, patients are on average tested three times per trauma episode, which we estimate results in approximately nine million hemostasis tests performed annually on trauma patients in the United States alone. We believe this unmet need represents a nearly $500 million annual market opportunity, which will be the initial focus for T2Stat and T2HemoStat.

Existing hemostasis screening methods have a range of limitations. Such screening can require:

- up to 24 hours to provide a diagnosis;
- large volumes of blood from patients;
- as many as five separate instruments to provide comprehensive results;
- highly skilled technicians; and
- specialty laboratories.

T2Stat and T2HemoStat utilize T2MR and are designed to provide hemostasis measurements in less than 20 minutes. T2HemoStat is a comprehensive panel of diagnostic tests that can provide data across the hemostasis spectrum, including measurements of clotting time, platelet activity, clot contraction and clot lysis. We believe that T2HemoStat will be the first panel capable of rapidly identifying key coagulation, platelet and other hematologic factors directly from whole blood on a single, easy to operate, compact instrument that will provide all of the following benefits:

- comprehensive results in 20 minutes or less;
- results from clinical samples as small as a finger stick of blood;
- replacement of up to five instruments with one compact instrument;
- easy-to-use system, not requiring highly skilled technicians to operate; and
- small, tabletop instrument that can be used at the point of care.

We expect that existing DRG and Current Procedural Terminology, or CPT codes, will be used to facilitate reimbursement of our hemostasis diagnostic products.

While the panel of HemoStat diagnostic tests currently in development is focused on addressing the unmet need for trauma patients, T2HemoStat can be expanded to add diagnostic tests that can address the needs of the broader population of patients with impaired hemostasis.

We also believe T2MR will be able to identify novel biomarkers with important clinical utility. For example, in a 2014 peer-reviewed article featured on the cover of the journal, *Blood*, T2MR was used to identify a new clot structure that has potential as a novel biomarker which could provide additional actionable information to manage patients with impaired hemostasis after trauma.

Sales, Marketing and Distribution

We intend to drive awareness and adoption of our T2MR technology and related products, if they achieve marketing authorization from the FDA or regulatory clearance, by building a direct sales force in the United States, initially targeting high-volume hospitals, and continuing to educate physicians, key decision makers and thought leaders through publishing scientific data in peer-reviewed journals, presenting at major industry conferences and conducting and supporting clinical studies.

The foundation of our commercialization strategy is to build an experienced, direct sales force consisting of approximately 15 commissioned representatives in the first year of launch. Our sales representatives, employing a clinical data-driven sales approach, will focus on the clinical performance of our products, if approved, the improved outcomes for patients and the economic value for hospitals, including customizable budgetary impact analysis. They will demonstrate the ease-of-use of our products and the advantages of our products over blood culture-based diagnostics. We plan to continue to invest in our direct sales force as we expand both the array of diagnostic panels and our customer reach.

Our sales force will sell T2Dx and T2Candida, if these product candidates receive marketing authorization from the FDA, directly to hospitals in the United States, initially targeting the 450 hospitals treating the largest number of high-risk patients. We estimate that these 450 centers annually treat an average of over 5,000 symptomatic patients at high risk for a *Candida* infection, representing over one-third of the expected market for T2Candida. If these leading institutions adopt our technology, we expect a positive network effect in the hospital community, accelerating adoption of T2Candida. We believe key aspects of Healthcare Reform, including the focus on cost containment, risk-sharing, and outcomes-based treatment and reimbursement, align with the value proposition of our sepsis products, contributing positively to their adoption. We believe the key decision-makers at hospitals will be infectious disease physicians, laboratory directors, the hospital pharmacy and hospital administrators. In response to the severity and complexity of managing bloodstream infections, a growing number of hospitals have instituted antimicrobial stewardship committees to control hospital practices related to infections, including the use of antibiotic and antifungal therapy. These committees typically include the key decision-makers, and we believe they will provide a central forum to present the benefits of our products. In addition, we plan to continue to publish scientific data in peer-reviewed journals, present at major industry conferences and conduct and support clinical trials to provide additional data relative to the performance of T2Candida to these decision-makers.

Outside of the United States, we expect to seek regulatory approvals in European and other international markets and to launch our platform through distributor partners who will deploy a similar model to our sales approach in the United States.

Manufacturing

We manufacture our proprietary T2Dx instrument and our T2Candida reagent trays at our approximately 6,500 square foot manufacturing facility in Wilmington, Massachusetts. We perform all instrument and tray manufacturing and packaging of final components in accordance with applicable guidelines for medical device manufacturing. We outsource manufacturing of our T2Candida consumable cartridge to a contract manufacturing organization. Our particles are supplied by a sole source supplier, GE Healthcare. We believe we can secure arrangements with other suppliers on commercially reasonable terms for the products and parts we outsource.

We have implemented a quality management system designed to comply with FDA regulations and International Standards Organization, or ISO, standards governing medical device products. These regulations govern the design, manufacture, testing and release of diagnostic products as well as raw material receipt and control. We have received ISO 13485:2012 registration from the National Standards Authority of Ireland. Our key outsourcing partners are ISO-certified.

We plan to continue to manufacture components that we determine are proprietary or require special processes to produce, while outsourcing the manufacture of more commodity-like components. We expect to establish additional outsourcing partnerships as we manufacture more products. We believe our facility in Wilmington, Massachusetts is adequate to meet our current manufacturing needs and that additional manufacturing space is readily available for future expansion.

Intellectual Property

We strive to protect and enhance the proprietary technologies that we believe are important to our business, and seek to obtain and maintain patents for any patentable aspects of our product candidates, including their methods of use and any other inventions that are important to the development of our business. Our success will depend significantly on our ability to obtain and maintain patent and other proprietary protection for commercially important proprietary technology,

inventions and know-how related to our business, including our methods, processes and product candidate designs, and our ability to defend and enforce our patents, maintain our licenses to use intellectual property owned by third parties, preserve the confidentiality of our trade secrets and operate without infringing the valid and enforceable patents and other proprietary rights of third parties. We also rely on trademarks, copyrights, know-how, continuing technological innovation and in-licensing opportunities to develop, strengthen, and maintain our proprietary position in the fields targeted by our product candidates. Protecting these rights is a primary focus in our relationships with other parties, and we seek to protect such rights, in part, by entering into confidentiality and non-disclosure agreements with such third parties and including protections for such proprietary information and intellectual property rights in our other contracts with such third parties, including material transfer agreements, licenses and research agreements.

We are the owner or licensee of an extensive portfolio of patents and patent applications and possess substantial know-how and trade secrets which protect various aspects of our business and product candidates. The patent families comprising our patent portfolio are primarily focused on protection of a range of general and specific attributes of our proprietary assay architecture and assay instrumentation for our T2Candida and T2Bacteria products, as well as protection of certain aspects of the conduct of the assays and detection of analytes. We also own several patent families covering various aspects of our T2HemoStat assay, including the assay architecture and conduct of the analysis. The issued patents in our patent families that cover T2Candida and T2Bacteria are expected to expire between 2023 and 2031, while additional pending applications in these families would be expected to expire, if issued, between 2023 and 2033. Our patent families covering T2HemoStat, if issued, will be expected to expire, between 2026 and 2035. In all cases, the expiration dates are subject to any extension that may be available under applicable law.

Patents

We own 23 patent families, including 16 issued United States patents, 20 issued patents outside of the U.S., 28 pending U.S. patent applications, five pending Patent Cooperation Treaty, or PCT applications, and 32 pending patent applications outside of the U.S. We also hold an exclusive license to three patent families from MGH, including three issued U.S. patents, five issued patents outside of the U.S., three pending U.S. patent applications, and one pending application outside the U.S., which cover various aspects of our T2MR, T2Candida and T2Bacteria products.

T2Candida and T2Bacteria

We are the owner or exclusive licensee of 10 issued U.S. patents and 11 pending U.S. patent applications, as well as 13 issued patents, two pending PCT applications and 11 pending patent applications in jurisdictions outside of the U.S., covering various aspects of T2Candida or T2Bacteria. In particular, U.S. Patent 8,569,078 (the '078 Patent), which is included within the patent rights covered by our exclusive license from MGH, covers our assay method architecture for our T2Candida and T2Bacteria product candidates. We are also the sole owner of issued U.S. patents and pending applications, including foreign counterparts in Australia, Canada, Europe, and Japan that are directed to the device instrumentation and certain components that are specific to the assay itself, including reagents and methods of detection of analytes. Our issued U.S. patents that cover aspects of our T2Candida and/or T2Bacteria product candidates are expected to expire between 2023 and 2031, with the '078 Patent expiring in 2023. In addition to the utility patents included in our patent portfolio, we are also the sole owner of issued design patents and pending applications in the U.S. and foreign jurisdictions that cover certain aspects of the design of our device cartridge and assay tubes.

T2HemoStat

We are the owner of four pending U.S. patent applications, one pending PCT application and nine pending patent applications in foreign jurisdictions covering various aspects of T2HemoStat, including the device and methods for determining coagulation times and evaluating coagulopathies using the assay. If these applications proceed to issue, the U.S. claims that cover our T2HemoStat product candidates are expected to expire between 2026 and 2035.

Patent Term

The term of individual patents and patent applications listed in previous sections will depend upon the legal term of the patents in the countries in which they are obtained. In most countries, the patent term is 20 years from the date of filing of the patent application (or parent application, if applicable). For example, if an international PCT application is filed, any patent issuing from the PCT application in a specific country generally expires 20 years from the filing date of the PCT application.

Proprietary Rights and Processes

We rely, in some circumstances, on proprietary technology and processes (including trade secrets) to protect our technology. However, these can be difficult to protect. We require all full-time and temporary employees, scientific advisors, contractors and consultants working for us who have access to our confidential information to execute confidentiality agreements in order to safeguard our proprietary technologies, methods, processes, know-how, and trade secrets. We also seek to preserve the integrity and confidentiality of our proprietary technology and processes by maintaining physical security of our premises and physical and electronic security of our information technology systems. All of our full-time and temporary employees and independent contractors and consultants are also bound by invention assignment obligations, pursuant to which rights to all inventions and other types of intellectual property conceived by them during the course of their employment are assigned to us.

While we have confidence in these individuals, organizations and systems, agreements or security measures may be breached, and we may not have adequate remedies for any breach. To the extent that our employees, consultants, scientific advisors, contractors, or any future collaborators use intellectual property owned by others in their work for us, disputes may arise as to the rights in related or resulting know-how and inventions. Further, any of our intellectual property and proprietary rights could be challenged, invalidated, circumvented, infringed or misappropriated, or such intellectual property and proprietary rights may not be sufficient to provide competitive advantages. For more information, please see "Risks Related to Intellectual Property."

Trademarks

We seek trademark and service mark protection in key markets to safeguard our brand and the brands of our product candidates. We intend to file trademark registration applications in the U.S. and foreign jurisdictions to continue to strengthen our brand.

License Agreements

License Agreement with Massachusetts General Hospital

In 2006, we entered into an exclusive license agreement with MGH, pursuant to which MGH granted to us an exclusive, worldwide, sublicensable license under certain patent rights to make, use, import and commercialize products and processes for diagnostic, industrial and research and

development purposes. In 2008 and 2011, we amended our agreement with MGH to add patent rights and to modify, among other things, our diligence and payment obligations.

We are required to use reasonable commercial efforts to develop and make available to the public products and processes covered by the agreement, and to achieve specified organizational, development and commercialization milestones by specified dates. To date, we have met all of our diligence obligations pursuant to this agreement.

We paid MGH an upfront fee and issued to MGH shares of our common stock equal to a low single-digit percentage of our then-outstanding common stock, subject to limited adjustments to prevent dilution in certain circumstances. In addition, we are responsible for reimbursing MGH's costs associated with prosecution and maintenance of the patent rights licensed to us under the agreement. We will also be required to make payments for achievement of specified regulatory milestones with respect to products and processes covered by the agreement. In addition, we are required to pay an annual license maintenance fee, which is creditable against any royalty payments we are obligated to make to MGH under the agreement.

We will be required to pay royalties to MGH on net sales of products and processes that are covered by patent rights licensed to us under the agreement at percentages in the low single digits, subject to reductions and offsets in specified circumstances. The products and processes covered by the agreement include T2Candida, T2Bacteria and other particle-based T2MR panels that we may develop in the future. Our royalty obligations, if any, and their duration, will depend on the specific patent rights covering the product or process being sold, and the particular category of product or process, as noted above. With respect to T2Candida and T2Bacteria and other potential particle-based T2MR panels we may develop in the future, our obligation to pay royalties to MGH will expire upon the later of ten years after the first commercial sale of the first product or process in the particular category and the expiration of the patent rights licensed to us under the agreement. We will also be required to pay to MGH a low double-digit percentage of specified gross revenue that we receive from our sublicensees. In addition, we will be required to pay royalties to MGH of less than one percent on net sales of specified products and processes that are not covered by the patent rights licensed to us under the agreement. Our obligation to pay royalties to MGH with respect to such products and processes will expire upon the earlier of 12 years after the first commercial sale of the first such product or process and the termination by MGH of all of the licenses granted to us under the agreement.

We have the right to terminate our agreement with MGH for any reason upon 90 days' written notice to MGH. MGH may terminate our agreement in its entirety if we fail to make a payment required under the agreement and do not cure such failure within a specified time period, if we fail to maintain adequate insurance coverage or if we become insolvent. MGH may also terminate our agreement, with respect to a given category of products or processes, on 60 days' notice for our uncured breach with respect to such category of products or processes. Absent earlier termination, our agreement with MGH will remain in force until the later of the expiration or abandonment of the licensed patents and patent applications, and the expiration of our obligations under the agreement.

Sales Agreement with GE Healthcare

We are currently party to a supply and license agreement with GE Healthcare for the manufacture and supply by GE Healthcare of its proprietary superparamagnetic particles to be used in connection with our product candidates. This agreement with GE Healthcare also grants to us a non-exclusive, worldwide, non-royalty bearing, sublicensable license to use the supplied products for the purposes of research, development, manufacture and sale of our product candidates for *in vitro* industrial diagnostics, human diagnostics and veterinary diagnostics purposes, but not for use in therapeutics. The agreement contains other terms and conditions generally consistent with an

agreement for the manufacture and supply of materials or products for use in the development and commercialization of biotechnology products such as our product candidates, including with respect to ordering, supply of such product in accordance with specifications, and quality assurance and quality control activities. We are obligated to meet certain minimum purchase requirements in each contract year of the agreement during the five-year term.

Either party may terminate the agreement immediately upon the insolvency of the other party, or for uncured breach of the agreement where termination is effective on receipt by the breaching party of a termination notice not less than 30 days after receipt of written notice of a breach. Absent earlier termination, our agreement with GE Healthcare will remain in force until December 31, 2015.

Competition

We believe we are currently the only diagnostic company developing products with the potential to identify pathogens associated with bloodstream infections in a variety of unpurified patient sample types at limits of detection as low as 1 CFU/mL. Our principal competition will be from a number of companies that offer platforms and applications in our target sepsis and hemostasis markets, most of which are more established commercial organizations with considerable name recognition and significant financial resources.

Companies that currently provide traditional blood culture-based diagnostics include Becton Dickinson & Co. and bioMerieux, Inc. In addition, companies offering post-culture species identification using both molecular and non-molecular methods include bioMerieux, Inc., Bruker Corporation, Cepheid and Siemens AG. These post-culture competitors rely on a positive result from blood culture in order to perform their tests, significantly prolonging their results when compared to T2MR. Some of the products offered by our competitors require hours of extensive hands-on labor by an operator, while some rely on high concentrations of pathogens present in a positive blood culture, which can require a final concentration of at least 1,000,000 CFU/mL. In addition, there may be a number of new market entrants in the process of developing competing technologies.

We believe that we have a number of competitive advantages, including:

- T2MR's ability to detect targets directly in complex and high volume samples, eliminating the need for sample extraction and purification;
- T2MR's ability to detect a broad range of targets, providing a wide variety of potential applications both within and outside of the *in vitro* diagnostics market;
- T2MR's ability to provide rapid and highly-sensitive diagnostic results, which can provide timely information to assist physicians and hospitals to make therapeutic decisions that can improve patient outcomes and reduce healthcare costs;
- our ability to develop easily operable products for end users;
- our initial applications in the field of sepsis that we believe will not require separate reimbursement codes due to the established payment and reimbursement structure in place; and
- our initial applications may provide substantial economic benefits to hospitals that can accrue the savings related to the rapid treatment of sepsis patients.

Government Regulation

Our products under development and our operations are subject to significant government regulation. In the United States, our products are regulated as medical devices by the FDA and other federal, state, and local regulatory authorities.

FDA Regulation of Medical Devices

The FDA and other U.S. and foreign governmental agencies regulate, among other things, with respect to medical devices:

- design, development and manufacturing;
- testing, labeling, content and language of instructions for use and storage;
- clinical trials;
- product safety;
- marketing, sales and distribution;
- pre-market clearance and approval;
- record keeping procedures;
- advertising and promotion;
- recalls and field safety corrective actions;
- post-market surveillance, including reporting of deaths or serious injuries and malfunctions that, if they were to recur, could lead to death or serious injury;
- post-market approval studies; and
- product import and export.

In the United States, numerous laws and regulations govern all the processes by which medical devices are brought to market and marketed. These include the Federal Food, Drug and Cosmetic Act, or FDCA, and the FDA's implementing regulations, among others.

FDA Pre-market Clearance and Approval Requirements

Each medical device we seek to commercially distribute in the United States must first receive 510(k) clearance, *de novo* down classification, or pre-market approval from the FDA, unless specifically exempted by the FDA. The FDA classifies all medical devices into one of three classes. Devices deemed to pose the lowest risk are categorized as either Class I or II, which requires the manufacturer to submit to the FDA a 510(k) pre-market notification submission requesting clearance of the device for commercial distribution in the United States. Some low risk devices are exempted from this requirement. Devices deemed by the FDA to pose the greatest risk, such as life sustaining, life-supporting or implantable devices, or devices deemed not substantially equivalent to a previously 510(k) cleared device are categorized as Class III. These devices require submission and approval of a premarket approval, or PMA, application.

510(k) Clearance Process

To obtain 510(k) clearance, we must submit a pre-market notification to the FDA demonstrating that the proposed device is substantially equivalent to a previously-cleared 510(k) device, a device that was in commercial distribution before May 28, 1976 for which the FDA has not yet called for the submission of pre-market approval applications, or is a device that has been reclassified from Class III to either Class II or I. In rare cases, Class III devices may be cleared through the 510(k) process. The FDA's 510(k) clearance process usually takes from three to 12 months from the date the application is submitted and filed with the FDA, but may take significantly longer and clearance is never assured. Although many 510(k) pre-market notifications are cleared without clinical data, in some cases, the FDA requires significant clinical data to support

substantial equivalence. In reviewing a pre-market notification submission, the FDA may request additional information, including clinical data, which may significantly prolong the review process.

After a device receives 510(k) clearance, any subsequent modification of the device that could significantly affect its safety or effectiveness, or that would constitute a major change in its intended use, will require a new 510(k) clearance or could require pre-market approval. The FDA requires each manufacturer to make this determination initially, but the FDA may review any such decision and may disagree with a manufacturer's determination. If the FDA disagrees with a manufacturer's determination, the FDA may require the manufacturer to cease marketing and/or recall the modified device until 510(k) clearance or approval of a PMA is obtained. Under these circumstances, the FDA may also subject a manufacturer to significant regulatory fines or other penalties. In addition, the FDA is currently evaluating the 510(k) process and may make substantial changes to industry requirements, including which devices are eligible for 510(k) clearance, the ability to rescind previously granted 510(k)s and additional requirements that may significantly impact the process.

Pre-market Approval Process

A PMA application must be submitted if the medical device is in Class III (although the FDA has the discretion to continue to allow certain pre-amendment Class III devices to use the 510(k) process) or cannot be cleared through the 510(k) process. A PMA application must be supported by, among other things, extensive technical, preclinical, clinical trials, manufacturing and labeling data to demonstrate to the FDA's satisfaction the safety and effectiveness of the device.

After a PMA application is submitted and filed, the FDA begins an in-depth review of the submitted information, which typically takes between one and three years, but may take significantly longer. During this review period, the FDA may request additional information or clarification of information already provided. Also during the review period, an advisory panel of experts from outside the FDA will usually be convened to review and evaluate the application and provide recommendations to the FDA as to the approvability of the device. In addition, the FDA will conduct a pre-approval inspection of the manufacturing facility to ensure compliance with Quality System Regulation, or QSR, which imposes elaborate design development, testing, control, documentation and other quality assurance procedures in the design and manufacturing process. The FDA may approve a PMA application with post-approval conditions intended to ensure the safety and effectiveness of the device including, among other things, restrictions on labeling, promotion, sale and distribution and collection of long-term follow-up data from patients in the clinical study that supported approval. Failure to comply with the conditions of approval can result in materially adverse enforcement action, including the loss or withdrawal of the approval. New PMA applications or supplements are required for significant modifications to the manufacturing process, labeling of the product and design of a device that is approved through the PMA process. PMA supplements often require submission of the same type of information as an original PMA application, except that the supplement is limited to information needed to support any changes from the device covered by the original PMA application, and may not require as extensive clinical data or the convening of an advisory panel.

De novo Classification Process

Medical device types that the FDA has not previously classified as Class I, II, or III are automatically classified into Class III regardless of the level of risk they pose. The Food and Drug Administration Modernization Act of 1997 established a new route to market for low to moderate risk medical devices that are automatically placed into Class III due to the absence of a predicate device, called the "Request for Evaluation of Automatic Class III Designation," or the *de novo* classification procedure. This procedure allows a manufacturer whose novel device is automatically classified into Class III to request down-classification of its medical device into Class I or Class II on the basis that

the device presents low or moderate risk, rather than requiring the submission and approval of a PMA application. Prior to the enactment of the Food and Drug Administration Safety and Innovation Act, or FDASIA, in July 2012, a medical device could only be eligible for *de novo* classification if the manufacturer first submitted a 510(k) premarket notification and received a determination from the FDA that the device was not substantially equivalent. FDASIA streamlined the *de novo* classification pathway by permitting manufacturers to request *de novo* classification directly without first submitting a 510(k) premarket notification to the FDA and receiving a not substantially equivalent determination. Under FDASIA, FDA is required to classify the device within 120 days following receipt of the *de novo* application. If the manufacturer seeks reclassification into Class II, the manufacturer must include a draft proposal for special controls that are necessary to provide a reasonable assurance of the safety and effectiveness of the medical device. In addition, the FDA may reject the reclassification petition if it identifies a legally marketed predicate device that would be appropriate for a 510(k) or determines that the device is not low to moderate risk or that general controls would be inadequate to control the risks and special controls cannot be developed. We plan to utilize the *de novo* classification process to obtain marketing authorization for our T2Dx and T2Candida devices under development, which we believe will be placed within Class II.

Clinical Trials

A clinical trial is typically required to support a PMA application and is sometimes required for a 510(k) pre-market notification. Clinical trials generally require submission of an application for an Investigational Device Exemption, or IDE, to the FDA. The IDE application must be supported by appropriate data, such as animal and laboratory testing results, showing that it is safe to test the device in humans and that the investigational protocol is scientifically sound. The IDE application must be approved in advance by the FDA for a specified number of patients, unless the product is deemed a non-significant risk device and eligible for more abbreviated IDE requirements. Clinical trials for a significant risk device may begin once the IDE application is approved by the FDA as well as the appropriate institutional review boards, or IRBs, at the clinical trial sites, and the informed consent of the patients participating in the clinical trial is obtained. After a trial begins, the FDA may place it on hold or terminate it if, among other reasons, it concludes that the clinical subjects are exposed to an unacceptable health risk. Any trials we conduct must be conducted in accordance with FDA regulations as well as other federal regulations and state laws concerning human subject protection and privacy. Moreover, the results of a clinical trial may not be sufficient to obtain clearance or approval of the product.

Pervasive and Continuing U.S. Food and Drug Administration Regulation

After a medical device is placed on the market, numerous FDA regulatory requirements apply, including, but not limited to the following:

- the QSR, which requires manufacturers to follow design, testing, control, documentation and other quality assurance procedures during the manufacturing process;
- establishment registration, which requires establishments involved in the production and distribution of medical devices, intended for commercial distribution in the United States, to register with the FDA;
- medical device listing, which requires manufacturers to list the devices they have in commercial distribution with the FDA;
- labeling regulations, which prohibit "misbranded" devices from entering the market, as well as prohibit the promotion of products for unapproved or "off-label" uses and impose other restrictions on labeling; and

- post-market surveillance including Medical Device Reporting, which requires manufacturers report to the FDA if their device may have caused or contributed to a death or serious injury, or malfunctioned in a way that would likely cause or contribute to a death or serious injury if it were to recur.

The FDA enforces these requirements by inspection and market surveillance. Failure to comply with applicable regulatory requirements may result in enforcement action by the FDA, which may include one or more of the following sanctions:

- untitled letters or warning letters;
- fines, injunctions and civil penalties;
- mandatory recall or seizure of our products;
- administrative detention or banning of our products;
- operating restrictions, partial suspension or total shutdown of production;
- refusing our request for 510(k) clearance or pre-market approval of new product versions;
- revocation of 510(k) clearance or pre-market approvals previously granted; and
- criminal prosecution and penalties.

International Regulation

Sales of medical devices outside the United States are subject to foreign government regulations, which vary substantially from country to country. In order to market our products in other countries, we must obtain regulatory approvals and comply with extensive safety and quality regulations in other countries. The time required to obtain approval by a foreign country may be longer or shorter than that required for FDA clearance or approval, and the requirements may differ significantly.

In the European Economic Area, or EEA, which comprises the 28 Member States of the EU plus Liechtenstein, Norway and Iceland, *in vitro* medical devices are required to conform with the essential requirements of the EU Directive on *in vitro* diagnostic medical devices (Directive 98/79/EC, as amended). To demonstrate compliance with the essential requirements, the manufacturer must undergo a conformity assessment procedure. The conformity assessment varies according to the type of medical device and its classification. For low-risk devices, the conformity assessment can be carried out internally, but for higher risk devices (self-test devices and those included in List A and B of Annex II of Directive 98/79/EC) it requires the intervention of an accredited EEA Notified Body. If successful, the conformity assessment concludes with the drawing up by the manufacturer of an EC Declaration of Conformity entitling the manufacturer to affix the CE mark to its products and to sell them throughout the EEA. We have recently concluded an assessment of the conformity of T2Dx and T2Candida with the EU *in vitro* diagnostic medical devices directive, based upon a EC Declaration of Conformity dated July 7, 2014, allowing us to affix the CE mark to these product candidates.

Other Healthcare Laws

Although we currently do not have any products on the market, our current and future business activities are subject to healthcare regulation and enforcement by the federal government and the states and foreign governments in which we conduct our business. These laws include, without limitation, state and federal anti-kickback, fraud and abuse, false claims, privacy and security and physician sunshine laws and regulations.

The federal Anti-Kickback Statute prohibits, among other things, any person from knowingly and willfully offering, soliciting, receiving or providing remuneration, directly or indirectly, overtly or covertly, in cash or in kind, to induce either the referral of an individual, for an item or service or the purchasing, leasing ordering, or arranging for or recommending the purchase, lease or order of any good, facility, item or service, for which payment may be made, in whole or in part, under federal healthcare programs such as the Medicare and Medicaid programs. Although there are a number of statutory exceptions and regulatory safe harbors protecting some common activities from prosecution, the exceptions and safe harbors are drawn narrowly. Practices that involve remuneration that may be alleged to be intended to induce prescribing, purchases or recommendations may be subject to scrutiny if they do not qualify for an exception or safe harbor. Failure to meet all of the requirements of a particular applicable statutory exception or regulatory safe harbor does not make the conduct per se illegal under the Anti-Kickback Statute. Instead, the legality of the arrangement will be evaluated on a case-by-case basis based on a cumulative review of all its facts and circumstances. Several courts have interpreted the statute's intent requirement to mean that if any one purpose of an arrangement involving remuneration is to induce referrals of federal healthcare covered business, the Anti-Kickback Statute has been violated.

Further, the recently enacted Patient Protection and Affordable Care Act, as amended by the Health Care and Education Reconciliation Act, or collectively, the Affordable Care Act, among other things, amends the intent requirement of the federal Anti-Kickback Statute and certain criminal statute governing healthcare fraud statutes to a stricter standard. A person or entity no longer needs to have actual knowledge of these statutes or specific intent to violate them. In addition, the Affordable Care Act codifies case law that the government may assert that a claim including items or services resulting from a violation of the federal Anti-Kickback Statute constitutes a false or fraudulent claim for purposes of the federal False Claims Act. The majority of states also have anti-kickback laws which establish similar prohibitions and in some cases may apply to items or services reimbursed by any third-party payor, including commercial insurers.

Additionally, the civil False Claims Act prohibits, among other things, knowingly presenting or causing the presentation of a false or fraudulent claim for payment to, or approval by, the U.S. government. In addition to actions initiated by the government itself, the statute authorizes actions to be brought on behalf of the federal government by a private party having knowledge of the alleged fraud. Because the complaint is initially filed under seal, the action may be pending for some time before the defendant is even aware of the action. If the government intervenes and is ultimately successful in obtaining redress in the matter, or if the plaintiff succeeds in obtaining redresss without the government's involvement, then the plaintiff will receive a percentage of the recovery. The federal government is using the False Claims Act, and the accompanying threat of significant liability, in its investigation and prosecution of life sciences companies throughout the country, for example, in connection with the promotion of products for unapproved uses and other sales and marketing practices. The government has obtained multi-million and multi-billion dollar settlements under the False Claims Act in addition to individual criminal convictions under applicable criminal statutes. Given the significant size of actual and potential settlements, it is expected that the government will continue to devote substantial resources to investigating healthcare providers' and manufacturers' compliance with applicable fraud and abuse laws.

The federal Health Insurance Portability and Accountability Act of 1996, or HIPAA, created new federal criminal statutes that prohibit, among other actions, knowingly and willfully executing, or attempting to execute, a scheme to defraud any healthcare benefit program, including private third-party payors, and knowingly and willfully falsifying, concealing or covering up a material fact or making any materially false, fictitious or fraudulent statement in connection with the delivery of or payment for healthcare benefits, items or services. Like the Anti-Kickback Statute, the Affordable Care Act amended the intent standard for certain healthcare fraud under HIPAA such that a person

or entity no longer needs to have actual knowledge of the statute or specific intent to violate it in order to have committed a violation.

The civil monetary penalties statute imposes penalties against any person or entity that, among other things, is determined to have presented or caused to be presented a claim to a federal health program that the person knows or should know is for an item or service that was not provided as claimed or is false or fraudulent.

Also, as stated above, many states have similar fraud and abuse laws that may be broader in scope and may apply regardless of payor.

Moreover, Section 6002 of the Affordable Care Act included new requirements for device manufacturers, among others, to report certain payments or "transfers of value" provided to physicians and teaching hospitals, and to report ownership and investment interests held by physicians and their immediate family members during the preceding calendar year. Section 6002 of PPACA includes in its reporting requirements a broad range of transfers of value including, but not limited to, consulting fees, speaker honoraria, charitable contributions, research payments and grants. The Centers for Medicare & Medicaid Services, or CMS, issued its final rule implementing Section 6002 of the Affordable Care Act in February 2013, and required data collection commenced as of August 1, 2013. Manufacturers were required to report aggregated data for August through December of 2013 to CMS by March 31, 2014, and more detailed information regarding the specific payments and transfers of value in the second quarter of 2014. CMS will release the data on a public website by September 30, 2014. Failure to report could subject companies to significant financial penalties. Tracking and reporting the required payments and transfers of value may result in considerable expense and additional resources. Several states currently have similar laws and more states may enact similar legislation, some of which may be broader in scope. For example, certain states require the implementation of compliance programs, compliance with industry ethics codes, implementation of gift bans and spending limits, and/or reporting of gifts, compensation and other remuneration to healthcare professionals.

We also may be subject to data privacy and security regulation by both the federal government and the states in which we conduct our business. HIPAA, as amended by the Health Information Technology for Economic and Clinical Health Act, or HITECH, and their respective implementing regulations, including the final omnibus rule published on January 25, 2013, imposes specified requirements relating to the privacy, security and transmission of individually identifiable health information. Among other things, HITECH, through its implementing regulations, makes certain of HIPAA's privacy and security standards directly applicable to business associates, defined as a person or organization, other than a member of a covered entity's workforce, that creates, receives, maintains or transmits protected health information for or on behalf of a covered entity for a function or activity regulated by HIPAA. In addition to HIPAA criminal penalties, HITECH created four new tiers of civil and monetary penalties and gave state attorneys general new authority to file civil actions for damages or injunctions in federal courts to enforce the federal HIPAA laws and seek attorneys' fees and costs associated with pursuing federal civil actions. In addition, state laws govern the privacy and security of health information in certain circumstances, many of which differ from each other in significant ways and may not have the same effect, thus complicating compliance efforts.

The shifting commercial compliance environment and the need to build and maintain robust and expandable systems to comply with different compliance and/or reporting requirements in multiple jurisdictions increase the possibility that a healthcare company may violate one or more of the requirements. If our future operations are found to be in violation of any of such laws or any other governmental regulations that apply to us, we may be subject to penalties, including, without limitation, civil and criminal penalties, damages, fines, the curtailment or restructuring of our

operations, exclusion from participation in federal and state healthcare programs and imprisonment, any of which could adversely affect our ability to operate our business and our financial results.

Coverage and Reimbursement

Maintaining and growing sales of our product candidates, if approved, depends in large part on the availability of adequate coverage and reimbursement from third-party payors, including government programs such as Medicare and Medicaid, private insurance plans and managed care programs. These third-party payors are increasingly limiting coverage and reducing reimbursement for medical products and services. In addition, the U.S. government, state legislatures and foreign governments have continued implementing cost-containment programs, including price controls and restrictions on coverage and reimbursement. Adoption of price controls and cost-containment measures, and adoption of more restrictive policies in jurisdictions with existing controls and measures, could further limit our net revenue and results. Decreases in third-party reimbursement for our product candidates or a decision by a third-party payor to not cover our product candidates could reduce physician utilization of our products, if approved, and have a material adverse effect on our sales, results of operations and financial condition.

Hospitals, clinical laboratories and other healthcare provider customers that may purchase our product candidates, if approved, generally bill various third-party payors to cover all or a portion of the costs and fees associated with diagnostic tests, including the cost of the purchase of our product candidates. We currently expect that the majority of our diagnostic tests will be performed in a hospital inpatient setting, where governmental payors, such as Medicare, general reimburse hospitals a single bundled payment that is based on the patients' diagnosis under a classification system known as the Medicare severity diagnosis-related groups, or MS-DRGs, classification for all items and services provided to the patient during a single hospitalization, regardless of whether our diagnostic tests are performed during such hospitalization. To the extent that our diagnostic tests will be performed in an outpatient setting, our product candidates may be eligible for separate payment using existing Current Procedural Terminology, or CPT, codes. Third-party payors may deny coverage, however, if they determine that our products are not cost-effective as determined by the payor, or is deemed by the third-party payor to be experimental or medically unnecessary. We are unable to predict at this time whether our product candidates, if approved, will be covered by third-party payors. Nor can we predict at this time the adequacy of payments, whether made separately in an outpatient setting or with a bundled payment amount in an inpatient setting. Our customers' access to adequate coverage and reimbursement for our product candidates by government and private insurance plans is central to the acceptance of our products. We may be unable to sell our products, if approved, on a profitable basis if third-party payors deny coverage or reduce their current levels of payment, or if our costs of production increase faster than increases in reimbursement levels.

Healthcare Reform

In the United States and foreign jurisdictions, there have been, and we expect there will continue to be, a number of legislative and regulatory changes to the healthcare system seeking, among other things, to reduce healthcare costs that could affect our future results of operations as we begin to directly commercialize our products.

By way of example, in the United States, the Affordable Care Act was signed into law in March 2010, which is expected to substantially change the way healthcare is delivered and financed by both governmental and private insurers. Among other things, the Affordable Care Act:

- imposed an annual excise tax of 2.3% on any entity that manufactures or imports medical devices offered for sale in the United States;

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

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

- created an independent payment advisory board that will submit recommendations to reduce Medicare spending if projected Medicare spending exceeds a specified growth rate.

In addition, other legislative changes have been proposed and adopted since the Affordable Care Act was enacted. On August 2, 2011, the President signed into law the Budget Control Act of 2011, which, among other things, created the Joint Select Committee on Deficit Reduction to recommend to Congress proposals in spending reductions. The Joint Select Committee did not achieve a targeted deficit reduction of at least $1.2 trillion for the years 2013 through 2021, triggering the legislation's automatic reduction to several government programs. This included reductions to Medicare payments to providers of 2% per fiscal year, which went into effect on April 1, 2013 and will stay in effect through 2014 unless additional congressional action is taken. On January 2, 2013, President Obama signed into law the American Taxpayer Relief Act of 2012, which, among other things, reduced Medicare payments to several providers, including hospitals.

We expect that additional state and federal healthcare reform measures will be adopted in the future, any of which could limit the amounts that federal and state governments will pay for healthcare products and services, which could result in reduced demand for our product candidates, if approved, or additional pricing pressure.

Research and Development

We have committed, and expect to commit, significant resources to developing new technologies and products, improving product performance and reliability and reducing costs. We have assembled an experienced research and development team with the scientific, engineering, software and process talent that we believe is required to successfully grow our business. As of June 30, 2014, our research and development team was comprised of 29 employees, of which nine hold a Ph.D. degree, seven hold a master of science and 12 hold a bachelor of science or equivalent. We are currently focused on several product candidates and enhancements utilizing our T2MR platform. We incurred research and development expenses of $5.1 million for the three months ended March 31, 2014, $14.9 million for the year ended December 31, 2013 and $11.7 million for the year ended December 31, 2012. Research and development expenses represented 73% of our operating expenses for the three months ended March 31, 2014, 75% of our operating expenses for the year ended December 31, 2013 and 80% of our operating expenses for the year ended December 31, 2012. Major components of the research and development expenses were salaries and benefits, research-related facility and overhead costs, laboratory supplies, equipment and contract services.

We continuously seek to improve T2MR, including improvements in its technology and accessibility. As we make improvements, we anticipate we will make available new and improved generations of our diagnostic instruments and panels. Our technology developmental efforts are focused on applying T2MR to additional potential applications in the *in vitro* diagnostic area. We are continuing our development of T2Bacteria and expect to initiate clinical trials for T2Bacteria in the second half of 2015. We believe that technical advantage is important to sustainable competitive advantage, and therefore our research and development efforts are focused on the continued enhancement of our T2MR platform. We are dedicated to ongoing innovation to T2MR and

expanding our pipeline of product candidates. Our goal is for T2MR to become a standard of care by providing technology that offers a rapid, sensitive and simple diagnostic alternative to existing methodologies for identifying both sepsis and impaired hemostasis, with a long-term objective of targeting the broader *in vitro* diagnostics market.

Employees

As of June 30, 2014, we had 68 full-time permanent employees, of which 24 work in operations, 29 in research and development, 11 in general and administrative and four in sales and marketing.

Facilities

Our corporate headquarters is located in Lexington, Massachusetts, where we currently lease approximately 17,900 square feet of office space and 15,700 square feet of laboratory space. Our base rent under this lease, which expires in 2016, is $1.1 million annually. We also lease approximately 6,500 square feet in Wilmington, Massachusetts for our manufacturing facility, under a lease that expires in 2015 for $52,500 of base rent annually.

Legal Proceedings

We are not party to any material legal proceedings.

MANAGEMENT

Executive Officers and Directors

The following table sets forth the name and position of each of our executive officers and directors and their age as of June 30, 2014.

Name	Age	Position
Executive Officers		
John McDonough	54	President and Chief Executive Officer and Director
Marc R. Jones	38	Chief Financial Officer
Sarah O. Kalil	55	Chief Operating Officer
Thomas J. Lowery, Ph.D.	36	Chief Scientific Officer
Michael A. Pfaller, M.D.	63	Chief Medical Officer
Non-employee Directors		
David B. Aronoff[5]	50	Director
Joshua Bilenker, M.D.[3]	42	Director
Thomas J. Carella[2]	39	Director
Michael J. Cima, Ph.D.[1][4]	54	Director
Alan Crane[2]	50	Director
John W. Cumming[3]	68	Director
David B. Elsbree[1]	67	Director
Stacy A. Feld[5]	41	Director
Robert S. Langer, Sc.D.[5]	65	Director
Stanley N. Lapidus[2]	65	Director
Harry W. Wilcox[1]	60	Director

(1) Member of the audit committee.

(2) Member of the compensation committee.

(3) Member of the nominating and corporate governance committee.

(4) Member of the technology committee.

(5) This director will resign from our board of directors prior to the effectiveness of the registration statement relating to this offering, of which this prospectus forms a part.

Executive Officers

John McDonough has served as our President and Chief Executive Officer and a member of our board of directors since November 2007. From 2003 to 2007, Mr. McDonough held various positions at Cytyc Corporation, a company engaged in the design, development, manufacturing and marketing of clinical products that focus on women's health, where he ultimately served as President of Cytyc Development Corporation. Mr. McDonough received his B.S.B.A. from Stonehill College. Mr. McDonough's extensive management experience as a senior executive and his diagnostic company experience contributed to our board of directors' conclusion that he should serve as a director of our company.

Marc R. Jones has served as our Chief Financial Officer since April 2013. From January 2013 to March 2013, Mr. Jones was Chief Financial Officer of Crashlytics, a mobile device software company, until its acquisition by Twitter. From January 2012 to January 2013, Mr. Jones was Chief Financial Officer of Fluidnet, a medical device company. From June 2007 to August 2011, Mr. Jones was Chief Financial Officer of CHiL Semiconductor, a power management solutions company until

its acquisition by International Rectifier. Mr. Jones received his M.S. in finance from Northeastern University and his B.S. in economics and finance from Southern New Hampshire University.

Sarah O. Kalil has served as our Chief Operating Officer since August 2013. From August 2010 to August 2013, Ms. Kalil was Chief Operating Officer of Interlace Medical, a medical device company, which was acquired by Hologic, Inc., a diagnostics company. From April 2009 to August 2010, Ms. Kalil was President and Chief Operating Officer of Boston Endo-Surgical Technologies, a medical device company. From 2002 to 2009, Ms. Kalil was Operations Director of Innovend, a medical molding company. Ms. Kalil is a member of the Massachusetts General Hospital Cancer Patient and Family Advisory Council and on the board of the Pleiades Foundation. Ms. Kalil received her B.S. in engineering from the University of Vermont.

Thomas J. Lowery, Ph.D. has served as our Chief Scientific Officer since September 2013. Since joining our company in 2007, Dr. Lowery has held various technical leadership roles in the assay, methods, reagents and detector development programs. Prior to joining our company, Dr. Lowery conducted research at the University of California Berkeley focused on developing innovative magnetic resonance based biosensors for molecular imaging. Dr. Lowery received his Ph.D. in chemistry from the University of California, Berkeley and his B.S. in biochemistry from Brigham Young University.

Michael A. Pfaller, M.D. has served as our Chief Medical Officer since March 2014. From 2005 until he joined our company, Dr. Pfaller was a consultant to JMI Laboratories, managing the *in vitro* testing of fungal and bacterial isolates. From 1983 to 2005, he was Clinical Director of Clinical Microbiology Laboratory at the University of Iowa, as well as Interim Director of Clinical Laboratories from 1984 to 1985. He currently serves as Co-Editor in Chief of the *American Society for Microbiology Manual of Clinical Microbiology*, 11th edition and as co-editor of the 8th edition of *Medical Microbiology*. Dr. Pfaller received his M.D. from the Washington University School of Medicine and his B.A. in chemistry from Linfield College.

Directors

David B. Aronoff has served as a member of our board of directors since January 2014. Mr. Aronoff is a General Partner at Flybridge Capital Partners, a venture capital firm, a position he has held since 2005. From 1996 to 2005, Mr. Aronoff was a General Partner at Greylock Partners, a venture capital firm, and held management roles at Chipcom, an enterprise network equipment and software vendor, and AT&T Bell Laboratories. Mr. Aronoff received his B.S. in computer science from the University of Vermont, his M.S. in computer science from the University of Southern California and his M.B.A. from Harvard Business School. Mr. Aronoff's experience working in the venture capital industry and experience working with and serving on the boards of directors of numerous technology companies contributed to our board of directors' conclusion that he should serve as a director of our company.

Joshua Bilenker, M.D. has served as a member of our board of directors since 2011. Dr. Bilenker is Chief Executive Officer of Loxo Oncology, a biotechnology company focused on cancer therapeutics. He is also a partner at Aisling Capital, a position he has held since 2006. Prior to Aisling Capital, Dr. Bilenker was a Medical Officer in the Office of Oncology Drug Products at the FDA from 2004 to 2006. Dr. Bilenker received his M.D. from The Johns Hopkins School of Medicine and his B.A. from Princeton. Dr. Bilenker's extensive experience at the FDA and as an investor in life science companies contributed to our board of directors' conclusion that he should serve as a director of our company.

Thomas J. Carella has served as a member of our board of directors since March 2013. Mr. Carella is a Managing Director in the Merchant Banking Division of Goldman, Sachs & Co. and Global Head of the division's private equity activities in the healthcare sector, a position he has held

since 2012. He previously served on the board of directors of KAR Auction Services, a provider of vehicle auction services in North America, from 2007 to 2013. Mr. Carella received his B.A. from Harvard College and his M.B.A. from Harvard Business School. Mr. Carella's management experience, including his extensive experience in business strategy for healthcare companies, contributed to our board of directors' conclusion that he should serve as a director of our company.

Michael J. Cima, Ph.D. is one of our founders and has served as a member of our board of directors since 2006. Since 1986, Dr. Cima has been a Professor of Materials Science and Engineering at Massachusetts Institute of Technology, or MIT, and he currently holds the David H. Koch Engineering Chair and an appointment at the Koch Institute for Integrative Cancer Research. Dr. Cima received his B.S. in chemistry and his Ph.D. in chemical engineering, both from the University of California at Berkeley. Dr. Cima's extensive life science experience and knowledge of the diagnostics industry contributed to our board of directors' conclusion that he should serve as a director of our company.

Alan Crane has served as a member of our board of directors since November 2007. Mr. Crane joined Polaris Partners in 2002 and is a partner and entrepreneur focused on building and investing in healthcare companies. From 2006 to 2009, he served as Chief Executive Officer and co-founder of Cerulean Pharma, Inc., an oncology company. From 2002 to 2006, Mr. Crane served as Chief Executive Officer and, from 2001 to 2010, a director of Momenta Pharmaceuticals, a biotechnology company. Prior to Momenta, Mr. Crane held the position of Senior Vice President of Corporate Development at Millennium Pharmaceuticals, Inc. Mr. Crane received his M.B.A., M.A. and B.A. from Harvard University. Mr. Crane's breadth of management experience in the life science industry contributed to our board of directors' conclusion that he should serve as a director of our company.

John W. Cumming has served as a member of our board of directors since July 2014. Mr. Cumming currently serves as Chief Executive Officer and Managing Director of Cumming & Associates LLC, a strategic advisory firm serving the healthcare industry. From August 2000 until December 2013, Mr. Cumming served in a number of leadership roles at Hologic Inc., a diagnostics company, including as Chief Executive Officer from 2001 through 2009 and again from July 2013 through December 2013, as President from 2001 until 2003, as Chairman of the Board from 2002 until 2007 and again from 2008 through 2011, and as Global Strategic Advisor from 2011 through July 2013. Mr. Cumming attended the University of South Carolina. Mr. Cumming's extensive knowledge of and experience with diagnostic product companies and expertise as a strategic advisor focused on the healthcare industry contributed to our board of directors' conclusion that he should serve as a director of our company.

David Elsbree has served as a member of our board of directors since July 2014. From 1970 until 2004, Mr. Elsbree was employed by Deloitte & Touche, most recently as a former senior partner. Mr. Elsbree served in a number of leadership roles in the firm's high technology practice, including partner-in-charge of the New England High Technology Practice. Mr. Elsbree served on the board of directors of Art Technology Group, Inc. from June 2004 until January 2011 and on the board of directors of Acme Packet, Inc. from November 2006 until March 2013. Mr. Elsbree received his B.A. from Northeastern University. Mr. Elsbree's extensive knowledge of and experience with technology companies and financial expertise contributed to our board of directors' conclusion that he should serve as a director of our company.

Stacy A. Feld has served as a member of our board of directors since May 2010. Ms. Feld has been a Partner at Physic Ventures, a venture capital firm, since 2009. From 2004 to 2008, Ms. Feld was Associate Director of Business Development at Genentech, Inc., a biotechnology company. Ms. Feld received her B.A. in sociology from the University of Pennsylvania and her J.D. from Vanderbilt Law School. Ms. Feld's experience working with and investing in life science companies

and her experience in the venture capital industry contributed to our board of directors' conclusion that she should serve as a director of our company.

Robert S. Langer, Sc.D. is one of our founders and has served as a member of our board of directors since 2006. Dr. Langer has been an Institute Professor at MIT since 2005, and prior to that was an Assistant Professor at MIT since 1978. Dr. Langer served as a member of the FDA's SCIENCE Board, the FDA's highest advisory board, from 1995 until 2002 and as its Chairman from 2002 until 2009. Dr. Langer has received the National Medal of Science, National Medal of Technology and Innovation, Wolf Prize in Chemistry, Charles Stark Draper Prize, Albany Medical Center Prize in Medicine and Biomedical Research and the Lemelson-MIT prize. Dr. Langer was elected to the Institute of Medicine, the National Academy of Engineering and the National Academy of Sciences. Dr. Langer currently serves on the board of directors of Advanced Cell Technology and Bind Therapeutics. He previously served as a director of Momenta Pharmaceuticals from 2001 to 2009, Wyeth from 2004 to 2009, Fibrocell Science from 2010 to 2012 and Millipore Corporation from 2009 to 2010. Dr. Langer received his B.A. from Cornell University and his Sc.D. from MIT, both in chemical engineering. Dr. Langer's extensive experience with the FDA and in academic medicine, including as the recipient of numerous awards in recognition of his research, contributed to our board of directors' conclusion that he should serve as a director of our company.

Stanley N. Lapidus has served as a member of our board of directors since August 2008. Mr. Lapidus is President and Chief Executive Officer of SynapDx, an autism early detection company he founded in 2009. From 2003 to 2008, Mr. Lapidus was Chief Executive Officer of Helicos Biosciences, a life science company he co-founded in 2003. From 1995 to 2001, he was Chief Executive Officer of EXACT Sciences, a colorectal cancer diagnostics company he founded in 1995. From 1987 to 1994, he was Chief Executive Officer of Cytyc Corp., a cervical cancer diagnostics company he founded in 1987. Mr. Lapidus holds academic appointments at Tufts University and MIT. He received his B.S. in engineering from Cooper Union. Mr. Lapidus' experience as a senior executive and his knowledge of life science companies contributed to our board of directors' conclusion that he should serve as a director of our company.

Harry W. Wilcox has served as a member of our board of directors since January 2011. Mr. Wilcox has been Chief Operating Officer and General Partner of Flagship Ventures, a venture capital firm, since 2013. From 2006 to 2013, he was Chief Financial Officer and Partner of Flagship Ventures. From 2004 to 2006, he was Chief Financial Officer and Senior Vice President of Corporate Development of EXACT Sciences. Mr. Wilcox received his M.B.A. from Boston University and his B.S. in Finance from the University of Arizona. Mr. Wilcox's experience leading successful healthcare and technology companies, and his experience as a venture investor, contributed to our board of directors' conclusion that he should serve as a director of our company.

Board Composition and Election of Directors

Board Composition

Our board of directors is currently comprised of 12 members. Three of our directors, David Aronoff, Stacy A. Feld and Robert S. Langer, Sc.D., will resign from our board of directors prior to the effectiveness of the registration statement relating to this offering, of which this prospectus forms a part. The members of our board of directors were elected in compliance with the provisions of the voting agreement among us and our major stockholders. The voting agreement will terminate upon the closing of this offering, and we will have no further contractual obligations regarding the election of our directors. See "Certain Relationships and Related Person Transactions." Our directors hold office until their successors have been elected and qualified or until their earlier death, resignation or removal.

Our restated certificate of incorporation and amended and restated bylaws that will become effective upon the closing of this offering provide that the authorized number of directors may be changed only by resolution of our board of directors. Our restated certificate of incorporation and amended and restated bylaws also provide that our directors may be removed only for cause by the affirmative vote of the holders of at least two-thirds of the votes that all our stockholders would be entitled to cast in an annual election of directors, and that any vacancy on our board of directors, including a vacancy resulting from an enlargement of our board of directors, may be filled only by vote of a majority of our directors then in office.

In accordance with the terms of our restated certificate of incorporation and amended and restated bylaws that will become effective upon the closing of this offering, our board of directors will be divided into three classes, class I, class II and class III, with members of each class serving staggered three-year terms. Upon the closing of this offering, the members of the classes will be divided as follows:

- the class I directors will be Alan Crane, John McDonough and Harry W. Wilcox, and their terms will expire at our first annual meeting of stockholders following this offering;
- the class II directors will be Joshua Bilenker, M.D., Thomas J. Carella and Michael J. Cima, Ph.D., and their terms will expire at our second annual meeting of stockholders following this offering; and
- the class III directors will be John W. Cumming, David B. Elsbree and Stanley N. Lapidus, and their terms will expire at the third annual meeting of stockholders following this offering.

Upon the expiration of the term of a class of directors, directors in that class will be eligible to be elected for a new three-year term at the annual meeting of stockholders in the year in which their term expires.

In selecting board members, our board may consider many factors, such as personal and professional integrity, ethics and values; experience in corporate management, such as serving as an officer or former officer of a publicly held company; experience as a board member or executive officer of another publicly held company; diversity of expertise and experience in substantive matters pertaining to our business relative to other board members; and diversity of background and perspective, including, but not limited to, with respect to age, gender, race, place of residence and specialized experience.

Director Independence

Applicable rules of the NASDAQ Stock Market, or NASDAQ, require a majority of a listed company's board of directors to be comprised of independent directors within one year of listing. In addition, the NASDAQ rules require that, subject to specified exceptions, each member of a listed company's audit, compensation, and nominating and corporate governance committees be independent, that compensation committee members meet a heightened independence test and that audit committee members also satisfy independence criteria set forth in Rule 10A-3 under the Securities Exchange Act of 1934, as amended, or the Exchange Act. Under applicable NASDAQ rules, a director will only qualify as an "independent director" if, in the opinion of the listed company's board of directors, that person does not have a relationship that would interfere with the exercise of independent judgment in carrying out the responsibilities of a director. In order to be considered independent for purposes of Rule 10A-3, a member of an audit committee of a listed company may not, other than in his or her capacity as a member of the audit committee, the board of directors or any other board committee, accept, directly or indirectly, any consulting, advisory or other compensatory fee from the listed company or any of its subsidiaries or otherwise be an affiliated person of the listed company or any of its subsidiaries. In order to be considered

independent for purposes of the compensation committee, the board of directors must consider all factors specifically relevant to determining whether a director has a relationship with us which is material to that director's ability to be independent from management in connection with the duties of a compensation committee member, including, but not limited to: (i) the source of compensation of such director, including any consulting, advisory or other compensatory fee paid by us to such director; and (ii) whether such director is affiliated with us, one of our subsidiaries or an affiliate of a subsidiary of ours.

Our board of directors has determined that Joshua Bilenker, M.D., Thomas J. Carella, Michael J. Cima, Ph.D., Alan Crane, John W. Cumming, David B. Elsbree, Stanley N. Lapidus and Harry W. Wilcox are "independent directors" as defined under applicable NASDAQ rules. In making such determination, our board of directors considered the relationships that each such non-employee director has with our company and all other facts and circumstances that our board of directors deemed relevant in determining his or her independence, including the beneficial ownership of our capital stock by each non-employee director. Mr. McDonough is not an independent director under these rules because he is our Chief Executive Officer. Please see the section of this prospectus titled "Certain Relationships and Related Person Transactions".

There are no family relationships among any of our directors or executive officers.

Board Committees

Our board has established four standing committees — audit, compensation, nominating and corporate governance and technology — each of which operates under a charter that has been approved by our board. Current copies of each committee's charter will be posted on the Corporate Governance section of our website at *www.t2biosystems.com*. The reference to our website address does not constitute incorporation by reference of the information contained at or available through our website, and you should not consider it to be a part of this prospectus.

Audit Committee

Our audit committee is composed of Michael J. Cima, Ph.D., David B. Elsbree and Harry W. Wilcox, with Mr. Elsbree serving as chairman of the committee. Under Rule 10A-3 under the Exchange Act, we are permitted to phase in our compliance with the independent audit committee requirements set forth in NASDAQ Rule 5605(c) and Rule 10A-3 under the Exchange Act as follows: (1) one independent member at the time of listing, (2) a majority of independent members within 90 days of listing and (3) all independent members within one year of listing. Our board of directors has determined that Messrs. Elsbree and Wilcox meet the independence requirements of the Sarbanes-Oxley Act of 2002, Rule 10A-3 under the Exchange Act and the applicable listing standards of NASDAQ. While our board has determined that Dr. Cima does not meet the requirements of Rule 10A-3 under the Exchange Act, we are relying on the independence phase-in rules for newly listed companies. Our board of directors has determined that Mr. Elsbree is an "audit committee financial expert" within the meaning of the SEC regulations and applicable listing standards of NASDAQ. The audit committee's responsibilities include:

- appointing, approving the compensation of, and assessing the independence of our registered public accounting firm;
- overseeing the work of our registered public accounting firm, including through the receipt and consideration of reports from such firm;
- reviewing and discussing with management and the registered public accounting firm our annual and quarterly financial statements and related disclosures;

- monitoring our internal control over financial reporting, disclosure controls and procedures and our code of business conduct and ethics;
- discussing our risk management policies;
- establishing policies regarding hiring employees from the registered public accounting firm and procedures for the receipt and retention of accounting related complaints and concerns;
- meeting independently with our internal auditing staff, if any, registered public accounting firm and management;
- reviewing and approving or ratifying any related person transactions; and
- preparing the audit committee report required by SEC rules.

Compensation Committee

Our compensation committee is composed of Thomas J. Carella, Alan Crane and Stanley N. Lapidus, each of whom is a non-employee member of our board of directors as defined in Rule 16b-3 under the Exchange Act and an "outside director" as defined under Section 162(m) of the Internal Revenue Code of 1986, as amended. Mr. Lapidus will serve as chairman of the committee. Our board of directors has determined that each member of the compensation committee is "independent" as defined under the applicable listing standards of NASDAQ, including the standards specific to members of a compensation committee. The compensation committee's responsibilities include:

- determining our Chief Executive Officer's compensation;
- reviewing and approving, or making recommendations to our board with respect to, the compensation of our other executive officers;
- overseeing an evaluation of our senior executives;
- overseeing and administering our cash and equity incentive plans;
- reviewing and making recommendations to our board with respect to director compensation;
- reviewing and discussing annually with management our "Compensation Discussion and Analysis," if applicable; and
- preparing the annual compensation committee report required by SEC rules, if applicable.

Nominating and Corporate Governance Committee

Our nominating and corporate governance committee is composed of Joshua Bilenker, M.D., and John W. Cumming. Dr. Bilenker will serve as chairman of the committee. Our board of directors has determined that each member of the nominating and corporate governance committee is "independent" as defined under the applicable listing standards of NASDAQ. The nominating and corporate governance committee's responsibilities include:

- identifying individuals qualified to become board members;
- recommending to our board the persons to be nominated for election as directors and to each of the board's committees;
- reviewing and making recommendations to the board with respect to management succession planning;

- developing and recommending to the board corporate governance principles; and
- overseeing an annual evaluation of the board.

Technology Committee

Our technology committee is composed of Dr. Cima. The technology committee meets periodically to discuss scientific and technological developments that may affect our business.

Compensation Committee Interlocks and Insider Participation

During 2013, the members of our compensation committee were Messrs. Carella, Crane and Lapidus. Messrs. Carella and Crane are affiliated with certain of our principal stockholders. See "Certain Relationships and Related Person Transactions" for additional information on the securities acquired by such principal stockholders and related agreements such stockholders are party to with us. None of our executive officers serves as a member of the board of directors or compensation committee, or other committee serving an equivalent function, of any other entity that has one or more of its executive officers serving as a member of our board of directors or compensation committee. None of the members of our compensation committee has ever been employed by us. For a description of transactions between us and members of our compensation committee and affiliates of such members, please see the section of this prospectus titled "Certain Relationships and Related Person Transactions".

Code of Business Conduct and Ethics

We have adopted a code of business conduct and ethics that applies to all of our employees, officers and directors, including those officers responsible for financial reporting. Upon the closing of this offering, our code of business conduct and ethics will be available on our website. We intend to disclose any amendments to the code, or any waivers of its requirements, as required by NASDAQ or SEC rules, on our website.

EXECUTIVE AND DIRECTOR COMPENSATION

This section discusses the material components of the executive compensation program offered to our named executive officers, or our NEOs, identified below. For 2013, our NEOs were:

- John McDonough, President and Chief Executive Officer;
- Marc R. Jones, Chief Financial Officer; and
- Sarah O. Kalil, Chief Operating Officer.

This discussion may contain forward-looking statements that are based on our current plans, considerations, expectations and determinations regarding future compensation programs. Actual compensation programs that we adopt following the closing of this offering may differ materially from the currently planned programs summarized in this discussion.

We are an "emerging growth company," within the meaning of the JOBS Act, and have elected to comply with the reduced compensation disclosure requirements available to emerging growth companies under the JOBS Act.

Summary Compensation Table

The following summarizes the total compensation awarded to, earned by or paid to our NEOs for their service to us in 2013:

Name and Principal Position	Year	Salary ($)[1]	Option Awards ($)[2]	Non-Equity Incentive Plan Compensation ($)[3]	Total ($)
John McDonough President and Chief Executive Officer	2013	350,000	310,942	66,000	726,942
Marc R. Jones Chief Financial Officer	2013	171,881	312,411	26,500	510,792
Sarah O. Kalil Chief Operating Officer	2013	89,789	311,780	26,500	428,069

(1) Represents base salary earned during 2013. Mr. Jones joined our company on April 8, 2013, and Ms. Kalil joined our company on August 12, 2013.

(2) Represents the aggregate grant date fair value of the option awards granted during 2013 computed in accordance with FASB ASC Topic 718, excluding the effect of estimated forfeitures. For a description of the assumptions used in valuing these awards, see note 9 to our audited financial statements included elsewhere in this prospectus.

(3) Represents awards earned under our annual cash incentive bonus program. For additional information regarding these amounts, see the section titled "Narrative Disclosure to Summary Compensation Table — Cash Bonuses" below.

Narrative Disclosure to Summary Compensation Table

The primary elements of compensation for our NEOs are base salary, cash bonuses and long-term equity-based compensation awards. The NEOs also participate in employee benefit plans and programs that we offer to our other full-time employees on the same basis.

Base Salary

Our NEOs receive base salary to compensate them for the satisfactory performance of duties to our company. The base salary payable to each NEO is intended to provide a fixed component of compensation reflecting the executive's skill set, experience, role and responsibilities. Base salaries for our NEOs have generally been set at levels deemed necessary to attract and retain individuals with superior talent. Base salaries for Mr. Jones and Ms. Kalil for 2013 were negotiated in connection with their commencing employment with us during 2013. Mr. McDonough did not receive a base salary increase during 2013.

In July 2014, our board of directors approved, effective upon the closing of this offering, an increase in Mr. McDonough's base salary to $425,000, Ms. Kalil's base salary to $325,000 and Mr. Jones's base salary to $300,000.

Cash Bonuses

Each of our NEOs is eligible to participate in an annual cash incentive bonus program which provides participants with an opportunity to earn cash bonus awards based on individual and company performance. The target annual bonus levels for Mr. Jones and Ms. Kalil for 2013 were 15% of their respective annual base salaries. Mr. McDonough's target annual bonus for 2013 was $110,000.

Objectives for the 2013 annual bonus program were established in January 2013 by our compensation committee and generally related to attaining clinical, business development and financing milestones and publication, commercialization and operational goals.

In January 2014, our board of directors reviewed the performance of our NEOs against the applicable goals and, based on its evaluation and the recommendation of our compensation committee, determined to award each NEO an annual cash incentive bonus in the amount set forth in the "Non-Equity Incentive Plan Compensation" column of the Summary Compensation Table above.

In July 2014, our board of directors approved, effective upon the closing of this offering, an increase of Mr. McDonough's target bonus level to 50% of his annual base salary, Ms. Kalil's target bonus level to 40% of her annual base salary and Mr. Jones's target bonus level to 40% of his annual base salary.

Equity-Based Compensation

We generally offer stock options to our employees, including our NEOs, as the long-term incentive component of our compensation program. We typically grant options to employees when they commence employment with us and may thereafter grant additional options in the discretion of our board of directors. Our stock options generally allow employees to purchase shares of our common stock at a price equal to the fair market value of our common stock on the date of grant, as determined by the board of directors, and may be intended to qualify as "incentive stock options" under the Internal Revenue Code.

Our stock options typically vest as to 25% of the shares subject to the option on the first anniversary of the date of grant and in equal monthly installments over the ensuing 36 months, subject to the holder's continued employment with us. From time to time, our board of directors may also construct alternate vesting schedules as it determines are appropriate to motivate particular employees. Stock options granted to our employees may be subject to accelerated vesting in certain circumstances, including as described below for our NEOs in the sections titled "Employment Letter Agreements" and "Potential Payments upon a Change in Control".

We awarded stock options to our NEOs during 2013 in the following amounts:

Named Executive Officer	2013 Options Granted (#)
John McDonough	166,029
Marc R. Jones	166,029
Sarah O. Kalil	166,029

These options were granted with exercise prices equal to the fair market of our common stock on the date of grant, as determined by our board of directors. The options granted to Ms. Kalil and Mr. Jones vest as to 25% of the shares subject to the option on the first anniversary of their respective employment commencement dates and in equal monthly installments over the ensuing 36 months. The option granted to Mr. McDonough vests as to 25% of the shares subject to the option on September 25, 2014 and in equal monthly installments over the ensuing 36 months.

In July 2014, we granted Mr. McDonough an additional option to purchase 66,411 shares of our common stock at an exercise price of $10.69 per share. This option vests in 48 equal monthly installments following the date of grant.

In connection with this offering, we intend to adopt a new incentive plan to facilitate the grant of cash and equity incentives to our directors, employees and consultants and to enable our company to obtain and retain the services of these individuals. Additional information about our new incentive plan is provided in the section titled "2014 Incentive Award Plan" below.

Retirement, Health, Welfare and Additional Benefits

Our NEOs are eligible to participate in our employee benefit plans and programs, including medical and dental benefits, flexible spending accounts and short- and long-term disability and life insurance, to the same extent as our other full-time employees, subject to the terms and eligibility requirements of those plans. Our NEOs are also eligible to participate in a tax-qualified 401(k) defined contribution plan to the same extent as all of our other full-time employees. Currently, we do not match contributions made by participants in the 401(k) plan or make other contributions to participant accounts.

Outstanding Equity Awards at 2013 Fiscal Year-End

The following table summarizes the outstanding equity awards held by our NEOs as of December 31, 2013.

		Option Awards			
Name	Vesting Commencement Date	Number of Securities Underlying Unexercised Options Exercisable (#)	Number of Securities Underlying Unexercised Options Unexercisable (#)[1]	Option Exercise Price ($)	Option Expiration Date
John McDonough	9/25/2013	—	166,029	3.21	10/24/2023
	1/17/2012	93,225	101,332	2.45	1/17/2022
	6/24/2010	123,857	17,694	1.96	9/14/2020
	2/27/2009	11,729	—	1.16	2/27/2019
	1/16/2009	46,806	—	1.16	1/16/2019
Marc R. Jones	4/8/2013	—	166,029	3.21	6/25/2023
Sarah O. Kalil	8/12/2013	—	166,029	3.21	9/25/2023

(1) All unvested options vest as to 25% of the total shares subject to the option on the first anniversary of the vesting commencement date and in equal monthly installments over the ensuing 36 months, subject to the holder's continued employment with us through the applicable vesting date and potential accelerated vesting as described in the sections titled "Employment Letter Agreements" and "Potential Payments upon a Change in Control" below.

Employment Letter Agreements

We have entered into employment letter agreements with each of our NEOs. Certain key terms of these agreements are described below.

John McDonough

We previously entered into an employment letter agreement with Mr. McDonough on March 14, 2008. This agreement entitled Mr. McDonough to receive an initial annual base salary of $300,000, subject to periodic increases at the discretion of the board of directors, and an annual bonus opportunity of not less than $75,000, with the amount of any such bonus based primarily on the overall performance of our company, measured against goals that are mutually agreed between Mr. McDonough and our compensation committee early in each applicable year. In July 2014, Mr. McDonough's employment letter agreement was amended, effective upon the closing of this offering, to provide that if Mr. McDonough's employment is terminated by us without cause within the three months preceding or the 12 months following a change in control, or if Mr. McDonough resigns his employment for good reason within the 12 months following a change in control, and he timely executes a release of claims in our favor, he will be entitled to receive 18 months of base salary continuation, a lump-sum payment in an amount equal to his target annual bonus for the year of termination, accelerated vesting of all outstanding unvested equity awards and reimbursement for a portion (based on cost sharing for active employees) of health care continuation premiums for up to 18 months. The amendment also eliminated Mr. McDonough's right to a minimum bonus.

Mr. McDonough's employment letter agreement, as amended, also contains restrictive covenants pursuant to which he has agreed to refrain from competing with us or soliciting our customers or prospective customers for one year following his termination of employment.

Marc R. Jones

We previously entered into an employment letter agreement with Mr. Jones on March 8, 2013. This agreement entitled him to an initial annual base salary of $235,000 and an annual bonus up to 15% of his annual base salary. In July 2014, we entered into a new agreement with Mr. Jones, effective upon the closing of this offering, which provides that if Mr. Jones's employment is terminated by us without cause within the three months preceding or the 12 months following a change in control, or if Mr. Jones resigns his employment for good reason within the 12 months following a change in control, and he timely executes a release of claims in our favor, he will be entitled to receive 12 months of base salary continuation, accelerated vesting of all outstanding unvested equity awards and reimbursement for a portion (based on active employee cost sharing rates) of health care premiums for up to 12 months. The new agreement also entitles Mr. Jones to receive the base salary and target bonus increases described above. Upon its effectiveness, the new agreement will supersede Mr. Jones's existing agreement with regard to the matters addressed in the new agreement.

Mr. Jones has also entered into a non-compete, non-disclosure and invention assignment agreement with us pursuant to which he has agreed to refrain from disclosing our confidential information indefinitely and from competing with us or soliciting our employees or consultants for 12 months following termination of his employment.

Sarah O. Kalil

We previously entered into employment letter agreement with Ms. Kalil on July 19, 2013. This agreement entitled her to an initial annual base salary of $230,000 and an annual bonus up to 15% of her annual base salary. In July 2014, we entered into a new agreement with Ms. Kalil, effective

upon the closing of this offering, which provides that if Ms. Kalil's employment is terminated by us without cause within the three months preceding or the 12 months following a change in control, or if Ms. Kalil resigns her employment for good reason within the 12 months following a change in control, and she timely executes a release of claims in our favor, she will be entitled to receive 12 months of base salary continuation, accelerated vesting of all outstanding unvested equity awards and reimbursement for a portion (based on active employee cost sharing rates) of health care premiums for up to 12 months. The new agreement also entitles Ms. Kalil to receive the base salary and target bonus increases described above. Upon its effectiveness, the new agreement will supersede Ms. Kalil's existing agreement with regard to the matters addressed in the new agreement.

Ms. Kalil has also entered into a non-compete, non-disclosure and invention assignment agreement with us pursuant to which she has agreed to refrain from disclosing our confidential information indefinitely and from competing with us or soliciting our employees or consultants for 12 months following termination of her employment.

Potential Payments upon a Change in Control

As described above, under the terms of their employment letter agreements, Mr. McDonough, Mr. Jones and Ms. Kalil may become entitled to payments or benefits in connection with certain terminations of employment that occur at specified times around a change in control.

The agreements governing Mr. McDonough's, Ms. Kalil's and Mr. Jones's unvested stock options provide for full accelerated vesting if their employment is terminated without cause within the three months preceding or the 12 months following a change of control or if they resign for good reason within 12 months following a change in control.

Incentive Plans

2014 Incentive Award Plan

Our board of directors has adopted, and our stockholders have approved, the T2 Biosystems, Inc. 2014 Incentive Award Plan, or the 2014 Plan, under which we may grant cash and equity incentive awards to eligible service providers. The 2014 Plan will become effective on the day prior to the public trading date of our common stock. The material terms of the 2014 Plan are summarized below.

Eligibility and Administration

Our employees, consultants and directors, and the employees, consultants and directors of our subsidiaries, will be eligible to receive awards under the 2014 Plan. Following our initial public offering, the 2014 Plan will be administered by our board of directors with respect to awards to non-employee directors and by our compensation committee with respect to other participants, each of which may delegate its duties and responsibilities to committees of our directors or officers (referred to collectively as the plan administrator below), subject to certain limitations that may be imposed under Section 16 of the Exchange Act and stock exchange rules, as applicable. The plan administrator will have the authority to make all determinations and interpretations under, prescribe all forms for use with, and adopt rules for the administration of, the 2014 Plan, subject to its express terms and conditions. The plan administrator will also set the terms and conditions of all awards under the 2014 Plan, including any vesting and vesting acceleration conditions.

Limitation on Awards and Shares Available

An aggregate of 823,529 shares of our common stock will initially be available for issuance under awards granted pursuant to the 2014 Plan. The number of shares initially available for issuance will be increased by (i) the number of shares represented by awards outstanding under our Amended and Restated 2006 Employee, Director and Consultant Stock Plan, or the 2006 Plan, that are forfeited, lapse unexercised or are settled in cash and which following the effective date of the 2014 Plan are not issued under the 2006 Plan and (ii) an annual increase on January 1 of each calendar year beginning in 2015 and ending in 2024, equal to the lesser of (A) 823,529 shares, (B) 4% of the shares of common stock outstanding (on an as converted basis) on the final day of the immediately preceding calendar year and (C) such smaller number of shares as determined by our board of directors. No more than 8,235,294 shares of common stock may be issued upon the exercise of incentive stock options under the 2014 Plan. Shares issued under the 2014 Plan may be authorized but unissued shares, or shares purchased in the open market.

If an award under the 2014 Plan is forfeited, expires or is settled for cash, any shares subject to such award may, to the extent of such forfeiture, expiration or cash settlement, be used again for new grants under the 2014 Plan. Awards granted under the 2014 Plan upon the assumption of, or in substitution for, awards authorized or outstanding under a qualifying equity plan maintained by an entity with which we enter into a merger or similar corporate transaction will not reduce the shares available for grant under the 2014 Plan. The maximum number of shares of our common stock that may be subject to one or more awards granted to any non-employee director for services as a director pursuant to the 2014 Plan during any calendar year will be 250,000, provided that a non-employee director may be granted awards under the 2014 Plan for services as a director for any one year in excess of such amount if the total awards granted to the director under the 2014 Plan for services as a director in the year do not have a grant date fair value, as determined in accordance with FASB ASC Topic 718 (or any successor thereto) in excess of $1,000,000.

Awards

The 2014 Plan provides for the grant of stock options, including incentive stock options, or ISOs, and nonqualified stock options, or NSOs, restricted stock, dividend equivalents, stock payments, restricted stock units, or RSUs, performance shares, other incentive awards, stock appreciation rights, or SARs, and cash awards. No determination has been made as to the types or amounts of awards that will be granted to specific individuals pursuant to the 2014 Plan. Certain awards under the 2014 Plan may constitute or provide for a deferral of compensation, subject to Section 409A of the Internal Revenue Code, which may impose additional requirements on the terms and conditions of such awards. All awards under the 2014 Plan will be set forth in award agreements, which will detail the terms and conditions of the awards, including any applicable vesting and payment terms and post-termination exercise limitations. Awards other than cash awards generally will be settled in shares of our common stock, but the plan administrator may provide for cash settlement of any award. A brief description of each award type follows.

- *Stock Options.* Stock options provide for the purchase of shares of our common stock in the future at an exercise price set on the grant date. ISOs, by contrast to NSOs, may provide tax deferral beyond exercise and favorable capital gains tax treatment to their holders if certain holding period and other requirements of the Internal Revenue Code are satisfied. The exercise price of a stock option generally will not be less than 100% of the fair market value of the underlying share on the date of grant (or 110% in the case of ISOs granted to certain significant stockholders), except with respect to certain substitute options granted in connection with a corporate transaction. The term of a stock option may not be longer than ten years (or five years in the case of ISOs granted to certain significant

stockholders). Vesting conditions determined by the plan administrator may apply to stock options and may include continued service, performance and other conditions.

- *SARs.* SARs entitle their holder, upon exercise, to receive from us an amount equal to the appreciation of the shares subject to the award between the grant date and the exercise date. The exercise price of a SAR will generally not be less than 100% of the fair market value of the underlying share on the date of grant (except with respect to certain substitute SARs granted in connection with a corporate transaction), and the term of a SAR may not be longer than ten years. Vesting conditions determined by the plan administrator may apply to SARs and may include continued service, performance and other conditions.

- *Restricted Stock, RSUs and Performance Shares.* Restricted stock is an award of nontransferable shares of our common stock that remain forfeitable unless and until specified conditions are met, and which may be subject to a purchase price. RSUs are contractual promises to deliver shares of our common stock in the future, which may also remain forfeitable unless and until specified conditions are met. Delivery of the shares underlying RSUs may be deferred under the terms of the award or at the election of the participant, if the plan administrator permits such a deferral. Performance shares are contractual rights to receive a range of shares of our common stock in the future based on the attainment of specified performance goals, in addition to other conditions which may apply to these awards. Conditions applicable to restricted stock, RSUs and performance shares may be based on continuing service, the attainment of performance goals and such other conditions as the plan administrator may determine.

- *Stock Payments, Other Incentive Awards and Cash Awards.* Stock payments are awards of fully vested shares of our common stock that may, but need not, be made in lieu of base salary, bonus, fees or other cash compensation otherwise payable to any individual who is eligible to receive awards. Other incentive awards are awards other than those enumerated in this summary that are denominated in, linked to or derived from shares of our common stock or value metrics related to our shares, and may remain forfeitable unless and until specified conditions are met. Cash awards are cash incentive bonuses subject to performance goals.

- *Dividend Equivalents.* Dividend equivalents represent the right to receive the equivalent value of dividends paid on shares of our common stock and may be granted alone or in tandem with awards. Dividend equivalents are credited as of dividend record dates during the period between the date an award is granted and the date such award vests, is exercised, is distributed or expires, as determined by the plan administrator.

Performance Awards

Performance awards include any of the foregoing awards that are granted subject to vesting or payment based on the attainment of specified performance goals or other criteria the plan administrator may determine, which may or may not be objectively determinable. Performance criteria upon which performance goals are established by the plan administrator may include but are not limited to: (i) net earnings (either before or after one or more of (A) interest, (B) taxes, (C) depreciation and (D) amortization); (ii) gross or net sales or revenue; (iii) net income (either before or after taxes); (iv) adjusted net income; (v) operating earnings or profit; (vi) cash flow (including, but not limited to, operating cash flow and free cash flow); (vii) return on assets; (viii) return on capital; (ix) return on stockholders' equity; (x) total stockholder return; (xi) return on sales; (xii) gross or net profit or operating margin; (xiii) costs; (xiv) expenses; (xv) working capital; (xvi) earnings per share; (xvii) adjusted earnings per share; (xviii) price per share; (xix) regulatory body approval for commercialization of a product; (xx) implementation, completion or attainment of

objectives relating to research, development, regulatory, commercial, or strategic milestones or developments; (xxi) market share; (xxii) economic value; (xxiii) revenue; and (xxiv) revenue growth.

Certain Transactions

The plan administrator has broad discretion to take action under the 2014 Plan, as well as to make adjustments to the terms and conditions of existing and future awards, to prevent the dilution or enlargement of intended benefits and facilitate necessary or desirable changes in the event of certain transactions and events affecting our common stock, such as stock dividends, stock splits, mergers, acquisitions, consolidations and other corporate transactions. In addition, in the event of certain non-reciprocal transactions with our stockholders known as "equity restructurings," the plan administrator will make equitable adjustments to the 2014 Plan and outstanding awards. In the event of a change of control of our company (as defined in the 2014 Plan) or a reorganization, merger, liquidation or similar corporate transaction, or any other unusual or non-recurring transactions affecting us or our financial statements, or a change in applicable accounting principles or law, the plan administrator may (i) terminate awards for cash or replace awards with other property or rights; (ii) provide that outstanding awards will be assumed or substituted by a successor entity; (iii) adjust the number and types of shares subject to outstanding awards; (iv) provide that outstanding awards will be fully vested and exercisable; or (v) terminate any outstanding awards. Individual award agreements may provide for additional accelerated vesting and payment provisions.

Foreign Participants, Claw-Back Provisions, Transferability and Participant Payments

The plan administrator may modify award terms, establish subplans and adjust other terms and conditions of awards, subject to the share limits described above. All awards will be subject to the provisions of any claw-back policy implemented by our company to the extent set forth in such claw-back policy or in the applicable award agreement. With limited exceptions for estate planning, domestic relations orders, certain beneficiary designations and the laws of descent and distribution, awards under the 2014 Plan are generally non-transferable prior to vesting, and are exercisable only by the participant. With regard to tax withholding, exercise price and purchase price obligations arising in connection with awards under the 2014 Plan, the plan administrator may, in its discretion, accept cash or check, shares of our common stock that meet specified conditions, a "market sell order" or such other consideration as it deems suitable.

Plan Amendment and Termination

Our board of directors may amend or terminate the 2014 Plan at any time; however, except in connection with certain changes in our capital structure, stockholder approval will be required for any amendment that increases the number of shares available under the 2014 Plan. The plan administrator will have the authority, without the approval of our stockholders, to amend any outstanding stock option or SAR to reduce its price per share. No award may be granted pursuant to the 2014 Plan after the tenth anniversary of the date on which our board of directors adopts the 2014 Plan.

2014 Employee Stock Purchase Plan

Our board of directors has adopted, and our stockholders have approved, the T2 Biosystems, Inc. 2014 Employee Stock Purchase Plan, or the ESPP. The ESPP will become effective on the day prior to the public trading date of our common stock. Our executive officers and all of our other employees will be allowed to participate in our ESPP, subject to the eligibility requirements described below. The material terms of the ESPP are summarized below.

Shares Available; Administration

A total of 220,588 shares of our common stock are initially reserved for issuance under our ESPP. In addition, the number of shares available for issuance under the ESPP will be annually increased on the January 1 of each year during the term of the ESPP, beginning on January 1, 2015, by an amount equal to the least of: (a) 220,588 shares, (b) 1% of the shares outstanding (on an as-converted basis) on the final day of the immediately preceding calendar year and (c) such smaller number of shares as is determined by our board of directors, provided that no more than 2,205,882 shares may be issued under the ESPP.

Our board of directors or its committee will have authority to interpret the terms of the ESPP and determine eligibility of participants. We expect that the compensation committee of our board of directors will be the initial administrator of the ESPP.

Eligibility

Our employees are eligible to participate in the ESPP if they are customarily employed by us or a participating subsidiary for at least 20 hours per week and more than five months in any calendar year. However, an employee may not be granted rights to purchase stock under our ESPP if such employee, immediately after the grant, would own (directly or through attribution) stock possessing 5% or more of the total combined voting power or value of all classes of our common or other class of stock.

Awards

The ESPP is intended to qualify under Section 423 of the Code and stock will be offered under the ESPP during offering periods. The length of the offering periods under the ESPP will be determined by the plan administrator and may be up to 27 months long. Employee payroll deductions will be used to purchase shares on each purchase date during an offering period. The purchase dates will be determined by the plan administrator for each offering period, and will generally be the final day in each offering period. Offering periods under the ESPP will commence when determined by the plan administrator. The plan administrator may, in its discretion, modify the terms of future offering periods.

The ESPP permits participants to purchase common stock through payroll deductions of up to 20% of their eligible compensation, which includes a participant's gross base compensation for services to us, excluding overtime payments, sales commissions, incentive compensation, bonuses, expense reimbursements, fringe benefits and other special payments. The plan administrator will establish a maximum number of shares that may be purchased by a participant during any offering period, which, in the absence of a contrary designation, will be 20,000 shares. In addition, no employee will be permitted to accrue the right to purchase stock under the ESPP at a rate in excess of $25,000 worth of shares during any calendar year during which such a purchase right is outstanding (based on the fair market value per share of our common stock as of the first day of the offering period).

On the first trading day of each offering period, each participant will automatically be granted an option to purchase shares of our common stock. The option will expire at the end of the applicable offering period, and will be exercised at that time to the extent of the payroll deductions accumulated during the offering period. The purchase price of the shares will be 85% of the lower of the fair market value of our common stock on the first trading day of the offering period or on the purchase date, which will generally be the final trading day of the offering period. Participants may voluntarily end their participation in the ESPP at any time at least one week prior to the end of the applicable offering period, and will be paid their accrued payroll deductions that have not yet

been used to purchase shares of common stock. Participation ends automatically upon a participant's termination of employment.

A participant may not transfer rights granted under the ESPP other than by will, the laws of descent and distribution or as otherwise provided under the ESPP.

Certain Transactions

In addition, in the event of certain non-reciprocal transactions with our stockholders known as "equity restructurings," the plan administrator will make equitable adjustments to the ESPP and outstanding awards. In the event of certain significant transactions or a change in control, the plan administrator may provide for (1) either the replacement of outstanding rights with other rights or property or termination of outstanding rights in exchange for cash, (2) the assumption or substitution of outstanding rights by the successor or survivor corporation or parent or subsidiary thereof, if any, (3) the adjustment in the number and type of shares of stock subject to outstanding rights, (4) the use of participants' accumulated payroll deductions to purchase stock on a new purchase date prior to the next scheduled purchase date and termination of any rights under ongoing offering periods or (5) the termination of all outstanding rights.

Plan Amendment

The plan administrator may amend, suspend or terminate the ESPP. However, stockholder approval of any amendment to the ESPP will be obtained for any amendment which increases the aggregate number or changes the type of shares that may be sold pursuant to rights under the ESPP, changes the corporations or classes of corporations whose employees are eligible to participate in the ESPP or changes the ESPP in any manner that would cause the ESPP to no longer be an employee stock purchase plan within the meaning of Section 423(b) of the Code.

Amended and Restated 2006 Employee, Director and Consultant Stock Plan

Our board of directors and stockholders have approved the 2006 Plan, under which we may grant stock options and other stock-based awards to employees, directors and consultants of our company or its affiliates. We have reserved a total of 3,725,224 shares of our common stock for issuance under the 2006 Plan. As of the date of this prospectus, there were 733,242 shares available for issuance under the 2006 Plan.

Following the effectiveness of the 2014 Plan, we will not make any further grants under the 2006 Plan. However, the 2006 Plan will continue to govern the terms and conditions of the outstanding awards granted under it. As discussed above, we anticipate that shares of our common stock subject to awards granted under the 2006 Plan that are forfeited, lapse unexercised or are settled in cash and which following the effective date of the 2014 Plan are not issued under the 2006 Plan will be available for issuance under the 2014 Plan.

Administration

Our board of directors administers the 2006 Plan and has the authority to determine recipients of awards and the terms of awards granted under the 2006 Plan, to interpret the 2006 Plan and awards outstanding thereunder, to buy out awards outstanding under the 2006 Plan for a payment in cash or shares of our common stock or cancel any such awards and substitute other awards therefor, including awards with an exercise price per share that is less than the exercise price per share of the replaced award, and to make changes to awards outstanding under the 2006 Plan, provided that such changes may not impair a participant's rights under the plan without the participant's consent. All such powers are exercised in the context of preserving the tax status of options granted under the plan that are intended to be ISOs. The board of directors may delegate

its authority under the 2006 Plan to a committee. Following the effectiveness of this offering, our board of directors may delegate its general administrative authority under the 2006 Plan to its compensation committee.

Types of Awards

The 2006 Plan provides for the grant of non-qualified and incentive stock options, stock grants and other stock-based awards to employees, directors and consultants of our company or its affiliates. As of the date of this prospectus, awards of incentive stock options and non-qualified stock options to purchase an aggregate of 2,648,309 shares of common stock are outstanding under the 2006 Plan.

Certain Transactions

If certain changes are made in, or events occur with respect to, our common stock, the 2006 Plan and outstanding awards will be appropriately adjusted in the class, number and, as applicable, exercise price of securities as determined by the plan administrator. In the event of certain corporate transactions of our company, including a consolidation, merger, sale of all or substantially all of our assets or a liquidation, our board of directors (or the board of a surviving entity assuming our company's obligations under the 2006 Plan) may make appropriate provision for the continuation or equitable substitution of outstanding awards, provide for the assumption or replacement of outstanding stock options, terminate awards for a cash payment equal to the excess of the fair market value of the underlying shares over the exercise or purchase price of the applicable award or provide that all stock options will terminate if not exercised within a specified number of days. The vesting and exercisability of awards may accelerate in connection with such a transaction, either by action of the plan administrator or under the terms of the applicable award agreements.

Amendment and Termination

The plan administrator may terminate, modify or amend the 2006 Plan from time to time, provided that any amendment or modification may not adversely affect a participant's rights under the 2006 Plan without the participant's consent. Any amendment the plan administrator determines is of a scope that requires stockholder approval will be subject to approval by our stockholders. The 2006 Plan will terminate on July 20, 2016, if not earlier terminated by the board of directors or our stockholders.

Director Compensation

We have not historically provided annual cash retainers or other compensation to our directors but have, from time to time, granted stock option awards to certain directors as compensation for their service on our board. Mr. McDonough, our President and Chief Executive Officer, also serves as a member of our board of directors but does not receive any additional compensation for providing these services.

The following table provides information regarding the compensation earned by our non-employee directors during the year ended December 31, 2013.

Name	Option Awards ($) (1)	All Other Compensation ($)(2)	Total ($)
David B. Aronoff	—	—	—
Joshua Bilenker, M.D.	—	—	—
Thomas J. Carella	—	—	—
Michael J. Cima, Ph.D.	108,374	40,000	148,374
Alan Crane	—	—	—
John W. Cumming	—	—	—
David B. Elsbree	—	—	—
Stacy A. Feld	—	—	—
Robert S. Langer, Sc.D.	108,374	40,000	148,374
Stanley N. Lapidus	27,622	—	27,622
Harry W. Wilcox	—	—	—

(1) Represents the aggregate grant date fair value of the option awards granted during 2013 computed in accordance with FASB ASC Topic 718 excluding the effect of estimated forfeitures. For a description of the assumptions used in valuing these awards, see note 9 to our audited financial statements included elsewhere in this prospectus. As of December 31, 2013, Drs. Langer and Cima each held options to purchase a total of 117,646 shares of our common stock, and Mr. Lapidus held options to purchase 102,937 shares of our common stock. No other non-employee director held any option awards and none of our non-employee directors held any stock awards as of December 31, 2013.

(2) Represents consulting fees earned by Drs. Langer and Cima for 2013 under their respective consulting agreements with our company. See "Certain Relationships and Related Person Transactions — Consulting Agreements" for a description of these agreements.

Our board of directors has adopted a compensation program for our non-employee directors that will be effective upon the effectiveness of the registration statement of which this prospectus is a part. The program provides for each non-employee director to receive an annual retainer of $35,000 for service on our board of directors and for the following additional annual retainers for non-employee directors providing the services specified:

- $30,000 for service as the chairman of the board of directors or lead independent director;
- $15,000 for service as the chairman of the audit committee of the board of directors;
- $10,000 for service as the chairman of the compensation committee of the board of directors;
- $7,500 for service as the chairman of the nominating and corporate governance committee of the board of directors; and
- $15,000 for service on the technology committee of the board of directors.

Annual retainers will be earned on a quarterly basis and paid in arrears following the end of each calendar quarter. Retainers will be prorated for partial quarters of service.

In addition, the non-employee director compensation program provides for the grant of equity awards under our 2014 Plan to our non-employee directors as follows:

- an option to purchase 66,176 shares of our common stock at an exercise price per share equal to the fair market value of our common stock on the date of grant, which we refer to as an Initial Award, on the date of initial election or appointment to the board of directors that occurs following the effective date of the non-employee director compensation program; and

- an option to purchase 17,647 shares of our common stock at an exercise price per share equal to the fair market value of our common stock on the date of grant, which we refer to as a Subsequent Award, automatically on the date of our annual meeting of stockholders if a non-employee director has been serving as a non-employee director on the board of directors for at least six months as of the date of the annual meeting and will continue to serve as a non-employee director immediately following such meeting.

Subject to the non-employee director's continued service, Initial Awards will vest and become exercisable in substantially equal installments on each of the first three anniversaries of the date of grant and Subsequent Awards will vest and become exercisable in 12 substantially equal monthly installments following the date of grant. All outstanding Initial Awards and Subsequent Awards will vest in full immediately prior to the occurrence of a change in control. The board of directors may amend, modify or terminate the non-employee director compensation program at any time.

CERTAIN RELATIONSHIPS AND RELATED PERSON TRANSACTIONS

The following includes a summary of transactions since January 1, 2011 to which we have been a party in which the amount involved exceeded or will exceed $120,000, and in which any of our directors, executive officers or, to our knowledge, beneficial owners of more than 5% of our capital stock or any member of the immediate family of any of the foregoing persons had or will have a direct or indirect material interest, other than equity and other compensation, termination, change in control and other arrangements, which are described under "Executive and Director Compensation". We also describe below certain other transactions with our directors, executive officers and stockholders.

Preferred Stock Financings

Series D Preferred Stock Financing

In August 2011, we sold 5,054,945 shares of series D preferred stock to new and existing investors at a price of $4.55 per share, resulting in proceeds of $23.0 million. Each share of series D preferred stock will convert into approximately 0.59 shares of common stock upon the closing of this offering.

Series E Preferred Stock Financing

In March 2013, we sold 6,930,967 shares of series E preferred stock to new and existing investors at a price of $5.7712 per share, resulting in proceeds of $40.0 million.

The following table sets forth the aggregate number of these securities acquired by the listed holders of more than 5% of our capital stock or their affiliated entities and one member of our board of directors. Each share of our preferred stock identified in the following table will convert into approximately 0.59 shares of common stock upon the closing of this offering.

Participant	Series D	Series E
5% or Greater Stockholders[1]		
Broad Street Principal Investments, LLC	—	4,331,858
Polaris Partners	629,852	631,133
Flagship Ventures Fund	629,851	631,133
Aisling Capital III, L.P.	2,967,033	549,851
Flybridge Capital Partners	369,792	370,544
Physic Ventures	247,934	248,437
Member of our Board of Directors[2]		
Michael Cima, Ph.D.	—	4,332

(1) Additional details regarding these stockholders and their equity holdings are provided under the caption "Principal Stockholders".

(2) Additional details regarding this member of our board of directors and his equity holdings are provided under the caption "Principal Stockholders".

The following directors are associated with our 5% or greater stockholders:

Director	Principal Stockholder
Thomas J. Carella	Broad Street Principal Investments, LLC
Alan Crane	Polaris Partners
Harry W. Wilcox	Flagship Ventures Fund
Joshua Bilenker, M.D.	Aisling Capital III, L.P.
David B. Aronoff	Flybridge Capital Partners
Stacy A. Feld	Physic Ventures

Participation in this Offering

Certain of our existing 5% stockholders and their affiliated entities, including Aisling Capital and affiliates of Goldman, Sachs & Co., have indicated an interest in purchasing an aggregate of up to $17 million in shares of our common stock in this offering at the initial public offering price. Assuming an initial public offering price of $16.00 per share, which is the midpoint of the price range set forth on the cover page of this prospectus, these entities would purchase an aggregate of up to approximately 1,036,500 of the 4,000,000 shares in this offering based on these indications of interest. However, because indications of interest are not binding agreements or commitments to purchase, any of these existing stockholders may determine to increase or reduce the amount of its indication of interest, or otherwise elect not to purchase any such shares. It is also possible that the number of shares, if any, allocated to each of these investors in the offering may be smaller than the amount of that investor's indication of interest.

Employment Letter Agreements

We have entered into employment letter agreements with our named executive officers. For more information regarding the agreements with our named executive officers, see "Executive and Director Compensation — Employment Letter Agreements".

Investors' Rights Agreement

In connection with our series E preferred stock financing, we entered into a fourth amended and restated investors' rights agreement with holders of our preferred stock, including certain holders of 5% of our capital stock and entities affiliated with certain of our directors. The investors' rights agreement, among other things, grants these stockholders specified registration rights with respect to shares of our common stock, including shares of common stock issued or issuable upon conversion of the shares of preferred stock held by them. For more information regarding the registration rights provided in these agreements, please refer to the section entitled "Description of Capital Stock — Registration Rights".

Consulting Agreements

In June 2006, we entered into consulting agreements with Drs. Langer and Cima, pursuant to which we agreed to pay Drs. Langer and Cima quarterly compensation for their services to our company. The annual compensation increased to $40,000 each upon the achievement of raising $20.0 million in equity financing, license transaction payments, corporate research/partnership or licensing deals of such value, grants of such value, sales of such value or any combination of the foregoing. In July 2014, Dr. Langer's consulting agreement was amended to, among other things, extend the term until 2017. The total compensation expense for the years ended December 31, 2012 and 2013 and from April 27, 2006 (inception) to December 31, 2013 was $80,000, $80,000 and $385,000, respectively. For more information regarding the compensation paid to Drs. Langer and Cima, see "Executive and Director Compensation — Director Compensation".

Indemnification Agreements

We have entered into indemnification agreements with each of our directors and executive officers. These agreements, among other things, require us or will require us to indemnify each director (and in certain cases their related venture capital funds) and executive officer to the fullest extent permitted by Delaware law, including indemnification of expenses such as attorneys' fees, judgments, fines and settlement amounts incurred by the director or executive officer in any action or proceeding, including any action or proceeding by or in right of us, arising out of the person's services as a director or executive officer.

Stock Option Grants to Executive Officers and Directors

We have granted stock options to our executive officers and certain of our directors as more fully described in the section entitled "Executive and Director Compensation".

Policies and Procedures for Related Person Transactions

Our board of directors has adopted a written related person transaction policy, to be effective upon the closing of this offering, setting forth the policies and procedures for the review and approval or ratification of related person transactions. This policy will cover, with certain exceptions set forth in Item 404 of Regulation S-K under the Securities Act, any transaction, arrangement or relationship, or any series of similar transactions, arrangements or relationships, in which we were or are to be a participant, where the amount involved exceeds $120,000 in any fiscal year and a related person had, has or will have a direct or indirect material interest, including without limitation, purchases of goods or services by or from the related person or entities in which the related person has a material interest, indebtedness, guarantees of indebtedness and employment by us of a related person. In reviewing and approving any such transactions, our audit committee considers all relevant facts and circumstances, including, but not limited to, whether the transaction is on terms comparable to those that could be obtained in an arm's length transaction and the extent of the related person's interest in the transaction. All of the transactions described in this section occurred prior to the adoption of this policy.

PRINCIPAL STOCKHOLDERS

The following table sets forth information with respect to the beneficial ownership of our common stock, as of June 30, 2014, and as adjusted to reflect the sale of shares of common stock in this offering, by:

- each person or group of affiliated persons known by us to beneficially own more than 5% of our common stock;
- each of our named executive officers;
- each of our directors and persons who will be directors upon the closing of this offering; and
- all of our executive officers and directors as a group.

The number of shares beneficially owned by each stockholder is determined under rules issued by the SEC. Under these rules, beneficial ownership includes any shares as to which the individual or entity has sole or shared voting power or investment power. Applicable percentage ownership is based on 14,066,165 shares of common stock outstanding as of June 30, 2014, assuming the conversion of all outstanding shares of preferred stock into common stock and the net exercise of all outstanding warrants into common stock, assuming an initial public offering price of $16.00 per share, which is the midpoint of the price range set forth on the cover page of this prospectus. In computing the number of shares beneficially owned by an individual or entity and the percentage ownership of that person, shares of common stock subject to options held by such person that are currently exercisable or will become exercisable within 60 days of June 30, 2014 are considered outstanding, although these shares are not considered outstanding for purposes of computing the percentage ownership of any other person. Unless noted otherwise, the address of all listed stockholders is 101 Hartwell Avenue, Lexington, Massachusetts. Each of the stockholders listed has sole voting and investment power with respect to the shares beneficially owned by the stockholder unless noted otherwise, subject to community property laws where applicable.

Certain of our existing stockholders and their affiliated entities, including Aisling Capital and affiliates of Goldman, Sachs & Co., have indicated an interest in purchasing our common stock in this offering at the initial public offering price. The following table does not reflect any such potential purchases by these existing stockholders or their affiliated entities. If any shares are purchased by these stockholders, the number of shares of common stock beneficially owned after this offering and the percentage of common stock beneficially owned after this offering may differ from that set forth in the table below.

Name of Beneficial Owner	Number of Shares Beneficially Owned Prior to Offering	Percentage of Shares Beneficially Owned	
		Prior to Offering	After Offering
5% or Greater Stockholders			
Entities affiliated with Broad Street Principal Investments, LLC[1]	2,548,150	18.1%	14.1%
Entities affiliated with Polaris Partners[2]	2,374,571	16.9	13.1
Entities affiliated with Flagship Ventures Fund[3]	2,374,571	16.9	13.1
Aisling Capital III, L.P.[4]	2,068,755	14.7	11.4
Entities affiliated with Flybridge Capital Partners[5]	1,394,133	9.9	7.7
Physic Ventures, L.P.[6]	934,722	6.6	5.2
Named Executive Officers and Directors			
John McDonough[7]	485,345	3.4	2.6
Marc R. Jones[8]	55,342	*	*
Sarah O. Kalil[9]	41,507	*	*
David B. Aronoff[5]	1,394,133	9.9	7.7
Joshua Bilenker, M.D.[4]	2,068,755	14.7	11.5
Thomas J. Carella[1]	2,548,150	18.1	14.1
Michael J. Cima, Ph.D.[10]	255,814	1.8	1.4
Alan Crane[2]	2,374,571	16.9	13.1
John W. Cumming[14]	—	—	—
David B. Elsbree[15]	—	—	—
Stacy A. Feld[6]	934,722	6.6	5.2
Robert S. Langer, Sc.D.[11]	253,266	1.8	1.4
Stanley N. Lapidus[12]	79,350	*	*
Harry W. Wilcox[3]	2,374,571	16.9	13.1
All executive officers and directors as a group (16 persons)[13]	12,967,148	87.4	68.9

* Less than 1%.

(1) Includes (a) 2,140,447 shares of common stock held by Broad Street Principal Investments, LLC, (b) 315,970 shares of common stock held by Bridge Street 2013 Holdings, L.P. and (c) 91,733 shares of common stock held by MBD 2013 Holdings, L.P., collectively the GS Entities. The GS Entities, of which affiliates of the Goldman Sachs Group, Inc. are the general partner, managing general partner or investment manager, share voting and investment power with certain of its respective affiliates. Mr. Thomas J. Carella is a Managing Director of Goldman, Sachs & Co. and may be deemed to have beneficial ownership of the shares held by the GS Entities. The Goldman Sachs Group, Inc., Goldman, Sachs & Co. and Mr. Carella each disclaim beneficial ownership of the shares held directly or indirectly by the GS Entities, except to the extent of its pecuniary interest therein, if any. The address of the GS Entities, the Goldman Sachs Group, Inc., Goldman, Sachs & Co. and Mr. Carella is c/o The Goldman Sachs Group, 200 West Street, New York, New York 10282. If the GS Entities were to purchase all of the shares they have indicated an interest in purchasing in this offering, assuming an initial public offering price of $16.00 per share, which is the midpoint of the price range set forth on the cover page of this prospectus, they would purchase an aggregate of approximately 724,000 shares, and as a result the percentage of shares beneficially owned by

the GS Entities after the offering would be 18.1%. The GS Entities will not, in any event, purchase more than 18.1% of the shares in this offering.

(2) Includes (a) 2,291,307 shares of common stock held by Polaris Venture Partners V, L.P., or Polaris V, (b) 44,657 shares of common stock held by Polaris Venture Partners Entrepreneurs' Fund V, L.P., or Polaris EFund V, (c) 22,912 shares of common stock held by Polaris Venture Partners Special Founders' Fund V, L.P., or Polaris SFFund V, and (d) 15,695 shares of common stock held by Polaris Venture Partners Founders' Fund V, L.P., or Polaris FFund, collectively, the Funds. Each of the Funds has the sole voting and investment power with respect to the shares directly held by it. The general partner of each of the Funds is Polaris Venture Management Co. V, LLC, or Polaris Management. Polaris Management may be deemed to have sole voting and investment power with respect to the shares held by the Funds and disclaims beneficial ownership of all the shares held by the Funds except to the extent of its proportionate pecuniary interest therein. The members of North Star Venture Management 2000, LLC, Terrence McGuire and Jonathan Flint, collectively the Management Members, are also members of Polaris Management, and as members of the general partner, they may be deemed to share voting and investment power over the shares held by the Funds. The Management Members disclaim beneficial ownership of such shares, except to the extent of their proportionate pecuniary interest therein. Alan Crane, one of our directors, is a partner of Polaris Management. Mr. Crane disclaims beneficial ownership of all the shares held by the Funds except to the extent of his proportionate pecuniary interest therein. The mailing address of the beneficial owner is c/o Polaris Partners, 1000 Winter Street, Suite 3350, Waltham, MA 02451.

(3) Includes (a) 1,632,816 shares of common stock held by Flagship Ventures Fund 2004, L.P. and (b) 741,755 shares of common stock held by Flagship Ventures Fund IV, L.P., or, collectively, Flagship. The general partner of Flagship is Flagship Ventures General Partner LLC, or Flagship LLC. Harry W. Wilcox, one of our directors, is a Member of Flagship LLC. As a result, each of Flagship LLC and Mr. Wilcox may be deemed to possess voting and investment control over, and may be deemed to have indirect beneficial ownership with respect to, all shares held by Flagship. Neither Flagship LLC nor Mr. Wilcox owns directly any of the shares. Each of Flagship LLC and Mr. Wilcox disclaims beneficial ownership of the shares held by Flagship except to the extent of their pecuniary interest therein. The mailing address of the beneficial owner is One Memorial Drive, 7th Floor, Cambridge, MA 02142.

(4) The general partner of Aisling Capital III, L.P., or AC III, is Aisling Capital Partners III, L.P., or ACP III. The investment manager of ACP III is Aisling Capital, LLC, or Aisling Capital. Joshua Bilenker, M.D., a member of our board of directors, is a managing member of Aisling Capital. Each of Aisling Capital, ACP III and Dr. Bilenker may be deemed to beneficially own the shares held by AC III. Each of Aisling Capital, ACP III and Dr. Bilenker disclaims any beneficial ownership of the shares owned by AC III except to the extent of their pecuniary interest in such entity. The mailing address of the beneficial owner is 888 Seventh Avenue, 29th Floor, New York, NY 10016. If Aisling Capital were to purchase all of the shares it has indicated an interest in purchasing in this offering, assuming an initial public offering price of $16.00 per share, which is the midpoint of the price range set forth on the cover page of this prospectus, it would purchase an aggregate of approximately 312,500 shares, and as a result the percentage of shares beneficially owned by it after the offering would be 13.2%.

(5) Includes (a) 1,341,011 shares of common stock held by Flybridge Capital Partners II, L.P., or FCP II, and (b) 53,122 shares of common stock held by Flybridge Capital Partners I, L.P., or FCP I, collectively the Flybridge Entities. The general partner of the Flybridge Entities is Flybridge Capital Partners GP I, LLC and Flybridge Capital Partners GP II, LLC (collectively the "Flybridge General Partners"). David Aronoff, one of our directors, is a managing member of

the Flybridge General Partners. As a result, each of the Flybridge General Partners and Mr. Aronoff may be deemed to possess voting and investment control over, and may be deemed to have indirect beneficial ownership with respect to, all shares held by the Flybridge Entities. Each of Flybridge General Partners and Mr. Aronoff disclaims any beneficial ownership of the shares held by the Flybridge Entities except to the extent of their pecuniary interest therein. The mailing address of the beneficial owner is c/o Flybridge Capital Partners, 500 Boylston Street, 18th Floor, Boston, MA 02116.

(6) Stacy A. Feld, one of our directors, is a partner of Physic Ventures. As a result, Ms. Feld may be deemed to beneficially own the shares held by Physic Ventures. Ms. Feld disclaims any beneficial ownership of the shares owned by Physic Ventures except to the extent of her pecuniary interest in such entity. The mailing address of the beneficial owner is c/o Physic Ventures, 548 Market Street #70998, San Francisco, CA 94104.

(7) Consists of (a) 154,763 shares of common stock and (b) 330,582 shares of common stock which Mr. McDonough has the right to acquire pursuant to outstanding stock options which are or will be immediately exercisable within 60 days of June 30, 2014.

(8) Consists of 55,342 shares of common stock which Mr. Jones has the right to acquire pursuant to outstanding stock options which are or will be immediately exercisable within 60 days of June 30, 2014.

(9) Consists of 41,507 shares of common stock which Ms. Kalil has the right to acquire pursuant to outstanding stock options which are or will be immediately exercisable within 60 days of June 30, 2014.

(10) Consists of (a) 179,018 shares of common stock and (b) 76,796 shares of common stock which Dr. Cima has the right to acquire pursuant to outstanding stock options which are or will be immediately exercisable within 60 days of June 30, 2014.

(11) Consists of (a) 176,470 shares of common stock and (b) 76,796 shares of common stock which Dr. Langer has the right to acquire pursuant to outstanding stock options which are or will be immediately exercisable within 60 days of June 30, 2014.

(12) Consists of 79,350 shares of common stock which Mr. Lapidus has the right to acquire pursuant to outstanding stock options which are or will be immediately exercisable within 60 days of June 30, 2014.

(13) Consists of (a) 12,205,153 shares of common stock and (b) 761,995 shares of common stock which our directors and executive officers as a group have the right to acquire pursuant to outstanding stock options which are or will be immediately exercisable within 60 days of June 30, 2014.

(14) Does not include 3,124 shares of common stock which Mr. Cumming has the right to acquire pursuant to outstanding stock options granted on July 19, 2014, which are or will be immediately exercisable within 60 days of June 30, 2014.

(15) Does not include 3,124 shares of common stock which Mr. Elsbree has the right to acquire pursuant to outstanding stock options granted on July 19, 2014, which are or will be immediately exercisable within 60 days of June 30, 2014.

DESCRIPTION OF CAPITAL STOCK

General

The following description summarizes some of the terms of our restated certificate of incorporation and amended and restated bylaws that will become effective upon the closing of this offering, our outstanding warrants, the investors' rights agreement and of the General Corporation Law of the State of Delaware. Because it is only a summary, it does not contain all the information that may be important to you. For a complete description, you should refer to our restated certificate of incorporation, amended and restated bylaws, warrants and investors' rights agreement, copies of which have been or will be filed as exhibits to the registration statement of which this prospectus is a part, as well as the relevant provisions of the General Corporation Law of the State of Delaware. The description of our common stock and preferred stock reflects changes to our capital structure that will occur upon the closing of this offering.

Following the closing of this offering, our authorized capital stock will consist of 200,000,000 shares of common stock, par value $0.001 per share, and 10,000,000 shares of preferred stock, par value $0.001 per share.

As of July 28, 2014, we had issued and outstanding:

- 1,456,547 shares of our common stock held of record by 33 stockholders;
- 282,849 shares of our series A-1 preferred stock that are convertible into 166,380 shares of our common stock;
- 1,703,959 shares of our series A-2 preferred stock that are convertible into 1,002,328 shares of our common stock;
- 3,249,877 shares of our series B preferred stock that are convertible into 1,911,691 shares of our common stock;
- 4,055,125 shares of our series C preferred stock that are convertible into 2,385,370 shares of our common stock;
- 5,054,945 shares of our series D preferred stock that are convertible into 2,973,498 shares of our common stock; and
- 6,930,967 shares of our series E preferred stock that are convertible into 4,077,031 shares of our common stock.

In connection with this offering, all of the outstanding shares of our preferred stock will automatically convert into an aggregate of 12,516,298 shares of our common stock.

Common Stock

Holders of our common stock are entitled to one vote for each share held on all matters submitted to a vote of stockholders and do not have cumulative voting rights. An election of directors by our stockholders shall be determined by a plurality of the votes cast by the stockholders entitled to vote on the election. Subject to the supermajority votes for some matters, other matters shall be decided by the affirmative vote of our stockholders having a majority in voting power of the votes cast by the stockholders present or represented and voting on such matter. Our restated certificate of incorporation and amended and restated bylaws also will provide that our directors may be removed only for cause and only by the affirmative vote of the holders of at least two-thirds in voting power of the outstanding shares of capital stock entitled to vote thereon. In addition, the affirmative vote of the holders of at least two-thirds in voting power of the outstanding shares of capital stock entitled to vote thereon is required to amend or repeal, or to

adopt any provision inconsistent with, several of the provisions of our restated certificate of incorporation. See below under "— Anti-Takeover Effects of Delaware Law and Our Certificate of Incorporation and Bylaws — Amendment of Charter Provisions". Holders of common stock are entitled to receive proportionately any dividends as may be declared by our board of directors, subject to any preferential dividend rights of any series of preferred stock that we may designate and issue in the future.

In the event of our liquidation or dissolution, the holders of common stock are entitled to receive proportionately our net assets available for distribution to stockholders after the payment of all debts and other liabilities and subject to the prior rights of any outstanding preferred stock. Holders of common stock have no preemptive, subscription, redemption or conversion rights. Our outstanding shares of common stock are, and the shares offered by us in this offering will be, when issued and paid for, validly issued, fully paid and nonassessable. The rights, preferences and privileges of holders of common stock are subject to and may be adversely affected by the rights of the holders of shares of any series of preferred stock that we may designate and issue in the future.

Preferred Stock

Under the terms of our restated certificate of incorporation that will become effective upon the closing of this offering, our board of directors is authorized to direct us to issue shares of preferred stock in one or more series without stockholder approval. Our board of directors has the discretion to determine the rights, preferences, privileges and restrictions, including voting rights, dividend rights, conversion rights, redemption privileges and liquidation preferences, of each series of preferred stock.

The purpose of authorizing our board of directors to issue preferred stock and determine its rights and preferences is to eliminate delays associated with a stockholder vote on specific issuances. The issuance of preferred stock, while providing flexibility in connection with possible acquisitions, future financings and other corporate purposes, could have the effect of making it more difficult for a third party to acquire, or could discourage a third party from seeking to acquire, a majority of our outstanding voting stock. Upon the closing of this offering, there will be no shares of preferred stock outstanding, and we have no present plans to issue any shares of preferred stock.

Stock Options

As of July 25, 2014, we had outstanding stock options to purchase an aggregate of 2,648,309 shares of our common stock under our 2006 Plan.

Warrants

In connection with the Loan and Security Agreement dated August 20, 2007, as amended on June 26, 2009 and June 25, 2012, with Silicon Valley Bank, or SVB, we issued warrants to SVB that are exercisable for 13,769 shares of series A-2 preferred stock, 9,036 shares of our series B preferred stock and 19,780 shares of series D preferred stock at an exercise price per share of $2.9050, $3.3232 and $4.55, respectively. If unexercised, these warrants will expire upon the closing of this offering.

In September 2008, we issued warrants to In-Q-Tel, Inc. that are immediately exercisable for 174,530 and 3,612 shares of our series B preferred stock, at an exercise price per share of $3.3232 and $4.65, respectively. If unexercised, these warrants will expire upon the closing of this offering.

In May 2011, in connection with a Security Agreement dated May 9, 2011 with Massachusetts Development Finance Agency, or MDF, we issued a warrant to MDF that is immediately exercisable for 30,000 shares of our series C preferred stock, at an exercise price per share of $3.6608. Immediately prior to the closing of this offering, this warrant will automatically convert into shares of series C preferred stock pursuant to a cashless net exercise provision, as described below.

Each of the above warrants has a net exercise provision under which the holder may, in lieu of payment of the exercise price in cash, surrender the warrant and receive a net amount of shares of the applicable series of our preferred stock based on the fair market value of such preferred stock at the time of the net exercise of the warrant after deduction of the aggregate exercise price. These warrants also contain provisions for the adjustment of the exercise price and the aggregate number of shares issuable upon the exercise of the warrants in the event of stock dividends, stock splits, reorganizations and reclassifications and consolidations. Upon the consummation of this offering, we will issue to each holder of these warrants approximately 0.59 shares of common stock for each share of preferred stock underlying the applicable warrants, assuming an initial public offering price of $16.00 per share, which is the midpoint of the price range set forth on the cover page of this prospectus.

Registration Rights

Upon the closing of this offering, holders of 12,531,346 shares of our common stock, including shares issuable upon the exercise of warrants, or their transferees, will be entitled to the following rights with respect to the registration of such shares for public resale under the Securities Act, pursuant to a fourth amended and restated investors' rights agreement by and among us and certain of our stockholders, until such shares can otherwise be sold without restriction under Rule 144, or until the rights otherwise terminate pursuant to the terms of the investors' rights agreement. Any shares purchased in this offering by entities affiliated with our 5% stockholders as a result of an allocation made at our direction would also benefit from these rights. The registration of shares of common stock as a result of the following rights being exercised would enable holders to trade these shares without restriction under the Securities Act when the applicable registration statement is declared effective.

Demand Registration Rights

If at any time beginning 180 days after the closing date of this offering the holders of at least 30% of the registrable securities request in writing that we effect a registration of an aggregate amount of at least $10,000,000 with respect to all or part of such registrable securities then outstanding, we may be required to register their shares. We are obligated to effect at most two registrations in response to these demand registration rights. If the holders requesting registration intend to distribute their shares by means of an underwriting, the managing underwriter of such offering will have the right to limit the numbers of shares to be underwritten for reasons related to the marketing of the shares.

Piggyback Registration Rights

If at any time after this offering we propose to register any shares of our common stock under the Securities Act, subject to certain exceptions, the holders of registrable securities will be entitled to notice of the registration and to include their shares of registrable securities in the registration. If our proposed registration involves an underwriting, the managing underwriter of such offering will have the right to limit the number of shares to be underwritten for reasons related to the marketing of the shares.

Form S-3 Registration Rights

If, at any time after we become entitled under the Securities Act to register our shares on a registration statement on Form S-3, the holders of registrable securities request in writing that we effect a registration with respect to registrable securities at an aggregate price to the public in the offering of at least $3,000,000, we will be required to effect such registration; provided, however, that we will not be required to effect such a registration if, within a given six-month period, we have already effected one registration on Form S-3 for the holders of registrable securities.

Expenses

Ordinarily, other than underwriting discounts and commissions, we will be required to pay all expenses incurred by us related to any registration effected pursuant to the exercise of these registration rights. These expenses may include all registration and filing fees, printing expenses, fees and disbursements of our counsel, reasonable fees and disbursements of a counsel for the selling securityholders and blue sky fees and expenses.

Termination of Registration Rights

The registration rights terminate upon the earlier of five years after the effective date of the registration statement of which this prospectus is a part, or, with respect to the registration rights of an individual holder, when the holder can sell all of such holder's registrable securities in a 90-day period without restriction under Rule 144 of the Securities Act.

Waiver of Registration Rights

Holders of a majority of the shares of common stock entitled to registration rights under the fourth amended and restated investors rights agreement have waived the right of all of such holders to exercise such registration rights for a period of not less than 180 days after the date of this prospectus.

Anti-Takeover Effects of Delaware Law and Our Certificate of Incorporation and Bylaws

Some provisions of Delaware law, our restated certificate of incorporation and our amended and restated bylaws could make the following transactions more difficult: an acquisition of us by means of a tender offer; an acquisition of us by means of a proxy contest or otherwise; or the removal of our incumbent officers and directors. It is possible that these provisions could make it more difficult to accomplish or could deter transactions that stockholders may otherwise consider to be in their best interest or in our best interests, including transactions which provide for payment of a premium over the market price for our shares.

These provisions, summarized below, are intended to discourage coercive takeover practices and inadequate takeover bids. These provisions are also designed to encourage persons seeking to acquire control of us to first negotiate with our board of directors. We believe that the benefits of the increased protection of our potential ability to negotiate with the proponent of an unfriendly or unsolicited proposal to acquire or restructure us outweigh the disadvantages of discouraging these proposals because negotiation of these proposals could result in an improvement of their terms.

Undesignated Preferred Stock

The ability of our board of directors, without action by the stockholders, to issue up to 10,000,000 shares of undesignated preferred stock with voting or other rights or preferences as designated by our board of directors could impede the success of any attempt to change control of

us. These and other provisions may have the effect of deferring hostile takeovers or delaying changes in control or management of our company.

Stockholder Meetings

Our amended and restated bylaws provide that a special meeting of stockholders may be called only by our chief executive officer or president (in the absence of a chief executive officer), or by a resolution adopted by a majority of our board of directors.

Requirements for Advance Notification of Stockholder Nominations and Proposals

Our amended and restated bylaws establish advance notice procedures with respect to stockholder proposals to be brought before a stockholder meeting and the nomination of candidates for election as directors, other than nominations made by or at the direction of the board of directors or a committee of the board of directors.

Elimination of Stockholder Action by Written Consent

Our restated certificate of incorporation eliminates the right of stockholders to act by written consent without a meeting.

Staggered Board

Our board of directors is divided into three classes. The directors in each class will serve for a three-year term, one class being elected each year by our stockholders. For more information on the classified board, see "Management — Board Composition and Election of Directors." This system of electing and removing directors may tend to discourage a third party from making a tender offer or otherwise attempting to obtain control of us, because it generally makes it more difficult for stockholders to replace a majority of the directors.

Removal of Directors

Our restated certificate of incorporation provides that no member of our board of directors may be removed from office by our stockholders except for cause and, in addition to any other vote required by law, upon the approval of the holders of at least two-thirds in voting power of the outstanding shares of stock entitled to vote in the election of directors.

Stockholders Not Entitled to Cumulative Voting

Our restated certificate of incorporation does not permit stockholders to cumulate their votes in the election of directors. Accordingly, the holders of a majority of the outstanding shares of our common stock entitled to vote in any election of directors can elect all of the directors standing for election, if they choose, other than any directors that holders of our preferred stock may be entitled to elect.

Delaware Anti-Takeover Statute

We are subject to Section 203 of the General Corporation Law of the State of Delaware, which prohibits persons deemed to be "interested stockholders" from engaging in a "business combination" with a publicly held Delaware corporation for three years following the date these persons become interested stockholders unless the business combination is, or the transaction in which the person became an interested stockholder was, approved in a prescribed manner or another prescribed exception applies. Generally, an "interested stockholder" is a person who, together with affiliates and associates, owns, or within three years prior to the determination of

interested stockholder status did own, 15% or more of a corporation's voting stock. Generally, a "business combination" includes a merger, asset or stock sale, or other transaction resulting in a financial benefit to the interested stockholder. The existence of this provision may have an anti-takeover effect with respect to transactions not approved in advance by the board of directors.

Choice of Forum

Our restated certificate of incorporation provides that, unless we consent in writing to the selection of an alternative form, the Court of Chancery of the State of Delaware will be the sole and exclusive forum for: (1) any derivative action or proceeding brought on our behalf; (2) any action asserting a claim of breach of a fiduciary duty or other wrongdoing by any of our directors, officers, employees or agents to us or our stockholders; (3) any action asserting a claim against us arising pursuant to any provision of the General Corporation Law of the State of Delaware or our certificate of incorporation or bylaws; (4) any action to interpret, apply, enforce or determine the validity of our certificate of incorporation or bylaws; or (5) any action asserting a claim governed by the internal affairs doctrine. Our restated certificate of incorporation also provides that any person or entity purchasing or otherwise acquiring any interest in shares of our capital stock will be deemed to have notice of and to have consented to this choice of forum provision. It is possible that a court of law could rule that the choice of forum provision contained in our restated certificate of incorporation is inapplicable or unenforceable if it is challenged in a proceeding or otherwise.

Amendment of Charter Provisions

The amendment of any of the above provisions, except for the provision making it possible for our board of directors to issue preferred stock and the provision prohibiting cumulative voting, would require approval by holders of at least two-thirds in voting power of the outstanding shares of stock entitled to vote thereon.

The provisions of Delaware law, our restated certificate of incorporation and our amended and restated bylaws could have the effect of discouraging others from attempting hostile takeovers and, as a consequence, they may also inhibit temporary fluctuations in the market price of our common stock that often result from actual or rumored hostile takeover attempts. These provisions may also have the effect of preventing changes in the composition of our board and management. It is possible that these provisions could make it more difficult to accomplish transactions that stockholders may otherwise deem to be in their best interests.

Transfer Agent and Registrar

The transfer agent and registrar for our common stock will be American Stock Transfer & Trust Company, LLC.

Listing

We have applied to have our common stock listed on The NASDAQ Global Market under the symbol "TTOO".

SHARES ELIGIBLE FOR FUTURE SALE

Prior to this offering, there has been no public market for our common stock. Future sales of substantial amounts of common stock in the public market, or the perception that such sales may occur, could adversely affect the market price of our common stock.

Upon the closing of this offering, we will have outstanding an aggregate of 18,021,604 shares of common stock, assuming the issuance of 4,000,000 shares of common stock offered by us in this offering, the automatic conversion of all outstanding shares of our preferred stock into 12,516,298 shares of our common stock, the issuance of 93,320 shares of common stock upon the net exercise of all outstanding warrants, and no exercise of options after March 31, 2014. Of these shares, all shares sold in this offering will be freely tradable without restriction or further registration under the Securities Act, except for any shares purchased by our "affiliates," as that term is defined in Rule 144 under the Securities Act, whose sales would be subject to the Rule 144 resale restrictions described below, other than the holding period requirement.

The remaining 14,021,604 shares of common stock will be "restricted securities," as that term is defined in Rule 144 under the Securities Act. These restricted securities are eligible for public sale only if they are registered under the Securities Act or if they qualify for an exemption from registration under Rules 144 or 701 under the Securities Act, which are summarized below. We expect that substantially all of these shares will be subject to the 180-day lock-up period under the lock-up agreements described below. Upon expiration of the lock-up period, we estimate that approximately 12,531,346 shares will be available for sale in the public market, subject in some cases to applicable volume limitations under Rule 144.

In addition, of the 2,648,309 shares of our common stock that were subject to stock options outstanding as of July 25, 2014, options to purchase 1,081,940 shares of common stock were vested as of July 25, 2014 and, upon exercise, these shares will be eligible for sale subject to the lock-up agreements described below and Rules 144 and 701 under the Securities Act.

Lock-Up Agreements

We and each of our directors and executive officers and holders of substantially all of our outstanding capital stock, have agreed that, without the prior written consent of Goldman, Sachs & Co. and Morgan Stanley & Co. LLC, on behalf of the underwriters, we and they will not, subject to limited exceptions described below, during the period ending 180 days after the date of this prospectus:

- offer, sell, contract to sell, pledge, grant any option to purchase, make any short sale or otherwise dispose of, or publicly disclose an intention to take any such actions with respect to, any shares of our common stock, or any options or warrants to purchase any shares of our common stock, or any securities convertible into, exchangeable for or that represent the right to receive shares of our common stock, whether now owned or hereinafter acquired, owned directly or indirectly; or

- request, make any demand for or exercise any right with respect to, the registration of any of our common stock or any security convertible into or exercisable or exchangeable for our common stock;

whether any transaction described above is to be settled by delivery of our common stock or such other securities, in cash or otherwise.

In the case of our officers, directors and stockholders, these lock-up restrictions are subject to certain exceptions, including transfers (i) made as bona fide gifts; (ii) for the primary purpose of satisfying exercise price and/or tax withholding obligations upon the vesting or exercise of an option

or other award granted under a stock incentive plan or stock purchase plan of the Company; (iii) acquired in open market transactions; (iv) as part of a distribution, transfer or disposition without consideration to a holder's limited or general partners; and (v) in connection with the establishment of a trading plan pursuant to 10b5-1 under the Exchange Act.

Upon the expiration of the lock-up period, substantially all of the shares subject to such lock-up restrictions will become eligible for sale, subject to the limitations discussed above.

Rule 144

Affiliate Resales of Restricted Securities

In general, beginning 90 days after the effective date of the registration statement of which this prospectus is a part, a person who is an affiliate of ours, or who was an affiliate at any time during the 90 days before a sale, who has beneficially owned shares of our common stock for at least six months would be entitled to sell in "broker's transactions" or certain "riskless principal transactions" or to market makers, a number of shares within any three-month period that does not exceed the greater of:

- 1% of the number of shares of our common stock then outstanding, which will equal approximately 180,216 shares immediately after this offering; or
- the average weekly trading volume in our common stock on The NASDAQ Global Market during the four calendar weeks preceding the filing of a notice on Form 144 with respect to such sale.

Affiliate resales under Rule 144 are also subject to the availability of current public information about us. In addition, if the number of shares being sold under Rule 144 by an affiliate during any three-month period exceeds 5,000 shares or has an aggregate sale price in excess of $50,000, the seller must file a notice on Form 144 with the Securities and Exchange Commission and NASDAQ concurrently with either the placing of a sale order with the broker or the execution directly with a market maker.

Non-Affiliate Resales of Restricted Securities

In general, beginning 90 days after the effective date of the registration statement of which this prospectus is a part, a person who is not an affiliate of ours at the time of sale, and has not been an affiliate at any time during the three months preceding a sale, and who has beneficially owned shares of our common stock for at least six months but less than a year, is entitled to sell such shares subject only to the availability of current public information about us. If such person has held our shares for at least one year, such person can resell under Rule 144(b)(1) without regard to any Rule 144 restrictions, including the 90-day public company requirement and the current public information requirement.

Non-affiliate resales are not subject to the manner of sale, volume limitation or notice filing provisions of Rule 144.

Rule 701

In general, under Rule 701, any of an issuer's employees, directors, officers, consultants or advisors who purchases shares from the issuer in connection with a compensatory stock or option plan or other written agreement before the effective date of a registration statement under the Securities Act is entitled to sell such shares 90 days after such effective date in reliance on Rule 144. An affiliate of the issuer can resell shares in reliance on Rule 144 without having to comply with the holding period requirement, and non-affiliates of the issuer can resell shares in

reliance on Rule 144 without having to comply with the current public information and holding period requirements.

The Securities and Exchange Commission has indicated that Rule 701 will apply to typical stock options granted by an issuer before it becomes subject to the reporting requirements of the Exchange Act, along with the shares acquired upon exercise of such options, including exercises after an issuer becomes subject to the reporting requirements of the Exchange Act.

Equity Plans

We intend to file one or more registration statements on Form S-8 under the Securities Act to register all shares of common stock subject to outstanding stock options and common stock issued or issuable under our stock plans. We expect to file the registration statement covering shares offered pursuant to our stock plans shortly after the date of this prospectus, permitting the resale of such shares by nonaffiliates in the public market without restriction under the Securities Act and the sale by affiliates in the public market, subject to compliance with the resale provisions of Rule 144.

Registration Rights

Upon the closing of this offering, the holders of 12,531,346 shares of common stock, which includes all of the shares of common stock issuable upon the automatic conversion of our preferred stock upon the closing of this offering, or their transferees will be entitled to various rights with respect to the registration of these shares under the Securities Act. Any shares purchased in this offering by entities affiliated with our existing stockholders as a result of an allocation made at our direction would also benefit from these rights. Registration of these shares under the Securities Act would result in these shares becoming fully tradable without restriction under the Securities Act immediately upon the effectiveness of the registration statement, except for shares purchased by affiliates. See "Description of Capital Stock — Registration Rights" for additional information. Holders of a majority of the shares of common stock entitled to such registration rights have waived the right of all of such holders to exercise such registration rights for a period of not less than 180 days after the date of this prospectus. Shares covered by a registration statement will be eligible for sale in the public market upon the expiration or release from the terms of the lock-up agreement.

MATERIAL U.S. FEDERAL INCOME TAX CONSEQUENCES TO NON-U.S. HOLDERS

The following discussion is a summary of the material U.S. federal income tax consequences to non-U.S. holders (as defined below) of the purchase, ownership and disposition of our common stock issued pursuant to this offering, but does not purport to be a complete analysis of all potential tax effects. The effects of other U.S. federal tax laws, such as estate and gift tax laws, and any applicable state, local or foreign tax laws are not discussed. This discussion is based on the United States Internal Revenue Code of 1986, as amended, or the Code, Treasury Regulations promulgated thereunder, judicial decisions, and published rulings and administrative pronouncements of the U.S. Internal Revenue Service, or the IRS, in effect as of the date of this offering. These authorities may change or be subject to differing interpretations. Any such change may be applied retroactively in a manner that could adversely affect a non-U.S. holder of our common stock. We have not sought and will not seek any rulings from the IRS regarding the matters discussed below. There can be no assurance the IRS or a court will not take a contrary position regarding the tax consequences of the purchase, ownership and disposition of our common stock.

This discussion is limited to non-U.S. holders that hold our common stock as a "capital asset" within the meaning of Section 1221 of the Code (generally, property held for investment). This discussion does not address all U.S. federal income tax consequences relevant to a non-U.S. holder's particular circumstances, including the impact of the unearned income Medicare contribution tax. In addition, it does not address consequences relevant to non-U.S. holders subject to particular rules, including, without limitation:

- U.S. expatriates and certain former citizens or long-term residents of the United States;
- persons subject to the alternative minimum tax;
- persons holding our common stock as part of a hedge, straddle or other risk reduction strategy or as part of a conversion transaction or other integrated investment;
- banks, insurance companies, and other financial institutions;
- real estate investment trusts or regulated investment companies;
- brokers, dealers or traders in securities;
- "controlled foreign corporations," "passive foreign investment companies," and corporations that accumulate earnings to avoid U.S. federal income tax;
- S corporations, partnerships or other entities or arrangements treated as partnerships for U.S. federal income tax purposes;
- tax-exempt organizations or governmental organizations;
- persons who hold or receive our common stock pursuant to the exercise of any employee stock option or otherwise as compensation;
- persons deemed to sell our common stock under the constructive sale provisions of the Code; and
- tax-qualified retirement plans.

If a partnership (or other entity treated as a partnership for U.S. federal income tax purposes) holds our common stock, the tax treatment of a partner in the partnership will depend on the status of the partner, the activities of the partnership and certain determinations made at the partner level. Accordingly, partnerships holding our common stock and the partners in such partnerships should consult their tax advisors regarding the U.S. federal income tax consequences to them.

THIS DISCUSSION IS FOR INFORMATION PURPOSES ONLY AND IS NOT INTENDED AS TAX ADVICE. INVESTORS SHOULD CONSULT THEIR TAX ADVISORS WITH RESPECT TO THE APPLICATION OF THE U.S. FEDERAL INCOME TAX LAWS TO THEIR PARTICULAR SITUATIONS AS WELL AS ANY TAX CONSEQUENCES OF THE PURCHASE, OWNERSHIP AND

DISPOSITION OF OUR COMMON STOCK ARISING UNDER THE U.S. FEDERAL ESTATE OR GIFT TAX LAWS OR UNDER THE LAWS OF ANY STATE, LOCAL OR NON-U.S. TAXING JURISDICTION OR UNDER ANY APPLICABLE INCOME TAX TREATY.

Definition of a Non-U.S. Holder

For purposes of this discussion, a "non-U.S. holder" is any beneficial owner of our common stock that is neither a "U.S. person" nor a partnership for United States federal income tax purposes. A U.S. person is any of the following:

- an individual who is a citizen or resident of the United States;
- a corporation (or other entity taxable as a corporation for U.S. federal income tax purposes) created or organized under the laws of the United States, any state thereof, or the District of Columbia;
- an estate, the income of which is subject to U.S. federal income tax regardless of its source; or
- a trust that (1) is subject to the primary supervision of a U.S. court and the control of one or more United States persons (within the meaning of Section 7701(a)(30) of the Code), or (2) has made a valid election under applicable Treasury Regulations to continue to be treated as a United States person.

Distributions

As described in the section entitled "Dividend Policy," we do not anticipate declaring or paying dividends to holders of our common stock in the foreseeable future. However, if we do make distributions on our common stock, such distributions of cash or property on our common stock will constitute dividends for U.S. federal income tax purposes to the extent paid from our current or accumulated earnings and profits, as determined under U.S. federal income tax principles. Amounts not treated as dividends for U.S. federal income tax purposes will constitute a return of capital and first be applied against and reduce a non-U.S. holder's adjusted tax basis in its common stock, but not below zero. Any excess will be treated as capital gain and will be treated as described below in the section relating to the sale or disposition of our common stock.

Subject to the discussion below on backup withholding and foreign accounts, dividends paid to a non-U.S. holder of our common stock that are not effectively connected with the non-U.S. holder's conduct of a trade or business within the United States will be subject to U.S. federal withholding tax at a rate of 30% of the gross amount of the dividends (or such lower rate specified by an applicable income tax treaty).

Non-U.S. holders will be entitled to a reduction in or an exemption from withholding on dividends as a result of either (a) an applicable income tax treaty or (b) the non-U.S. holder holding our common stock in connection with the conduct of a trade or business within the United States and dividends being paid in connection with that trade or business. To claim such a reduction in or exemption from withholding, the non-U.S. holder must provide the applicable withholding agent with a properly executed (a) IRS Form W-8BEN or W-8BEN-E claiming an exemption from or reduction of the withholding tax under the benefit of an income tax treaty between the United States and the country in which the non-U.S. holder resides or is established, or (b) IRS Form W-8ECI stating that the dividends are not subject to withholding tax because they are effectively connected with the conduct by the non-U.S. holder of a trade or business within the United States, as may be applicable. These certifications must be provided to the applicable withholding agent prior to the payment of dividends and must be updated periodically. Non-U.S. holders that do not timely provide the applicable withholding agent with the required certification, but that qualify for a reduced rate under an applicable income tax treaty, may obtain a refund of any excess amounts withheld by timely filing an appropriate claim for refund with the IRS.

Subject to the discussions below on backup withholding and foreign accounts, if dividends paid to a non-U.S. holder are effectively connected with the non-U.S. holder's conduct of a trade or business within the United States (and, if required by an applicable income tax treaty, the non-U.S. holder maintains a permanent establishment in the United States to which such dividends are attributable), then, although exempt from U.S. federal withholding tax (provided the non-U.S. holder provides appropriate certification, as described above), the non-U.S. holder will be subject to U.S. federal income tax on such dividends on a net income basis at the regular graduated U.S. federal income tax rates. In addition, a non-U.S. holder that is a corporation may be subject to a branch profits tax at a rate of 30% (or such lower rate specified by an applicable income tax treaty) on its effectively connected earnings and profits for the taxable year that are attributable to such dividends, as adjusted for certain items. Non-U.S. holders should consult their tax advisors regarding their entitlement to benefits under any applicable income tax treaty.

Sale or Other Taxable Disposition

Subject to the discussions below on backup withholding and foreign accounts, a non-U.S. holder will not be subject to U.S. federal income tax on any gain realized upon the sale or other disposition of our common stock unless:

- the gain is effectively connected with the non-U.S. holder's conduct of a trade or business within the United States (and, if required by an applicable income tax treaty, the non-U.S. holder maintains a permanent establishment in the United States to which such gain is attributable);
- the non-U.S. holder is a nonresident alien individual present in the United States for 183 days or more during the taxable year of the disposition and certain other requirements are met; or
- our common stock constitutes a U.S. real property interest, or USRPI, by reason of our status as a U.S. real property holding corporation, or a USRPHC, for U.S. federal income tax purposes.

Gain described in the first bullet point above will generally be subject to U.S. federal income tax on a net income basis at the regular graduated U.S. federal income tax rates. A non-U.S. holder that is a foreign corporation also may be subject to a branch profits tax at a rate of 30% (or such lower rate specified by an applicable income tax treaty) of a portion of its effectively connected earnings and profits for the taxable year, as adjusted for certain items.

A non-U.S. holder described in the second bullet point above will be subject to U.S. federal income tax at a rate of 30% (or such lower rate specified by an applicable income tax treaty) on any gain derived from the disposition, which may be offset by certain U.S. source capital losses of the non-U.S. holder (even though the individual is not considered a resident of the United States) provided the non-U.S. holder has timely filed U.S. federal income tax returns with respect to such losses.

With respect to the third bullet point above, we believe we are not currently and do not anticipate becoming a USRPHC. Because the determination of whether we are a USRPHC depends on the fair market value of our USRPIs relative to the fair market value of our other business assets and our non-U.S. real property interests, however, there can be no assurance we are not a USRPHC or will not become one in the future. Even if we are or were to become a USRPHC, gain arising from the sale or other taxable disposition by a non-U.S. holder of our common stock will not be subject to U.S. federal income tax if such class of stock is "regularly traded," as defined by applicable Treasury Regulations, on an established securities market, and such non-U.S. holder owned, actually or constructively, 5% or less of such class of our stock throughout the shorter of the five-year period ending on the date of the sale or other disposition or the non-U.S. holder's holding period for such stock.

Non-U.S. holders should consult their tax advisors regarding potentially applicable income tax treaties that may provide for different rules.

Information Reporting and Backup Withholding

Subject to the discussion below on foreign accounts, a non-U.S. holder will not be subject to backup withholding with respect to payments of dividends on our common stock we make to the non-U.S. holder, provided the applicable withholding agent does not have actual knowledge or reason to know such holder is a United States person and the holder certifies its non-U.S. status, such as by providing a valid IRS Form W-8BEN, W-8BEN-E or W-8ECI, or other applicable certification. However, information returns will be filed with the IRS in connection with any dividends on our common stock paid to the non-U.S. holder, regardless of whether any tax was actually withheld. Copies of these information returns may also be made available under the provisions of a specific treaty or agreement to the tax authorities of the country in which the non-U.S. holder resides or is established.

Information reporting and backup withholding may apply to the proceeds of a sale of our common stock within the United States, and information reporting may (although backup withholding generally will not) apply to the proceeds of a sale of our common stock outside the United States conducted through certain U.S.-related financial intermediaries, in each case, unless the beneficial owner certifies under penalty of perjury that it is a non-U.S. holder on IRS Form W-8BEN, W-8BEN-E or other applicable form (and the payor does not have actual knowledge or reason to know that the beneficial owner is a U.S. person) or such owner otherwise establishes an exemption.

Backup withholding is not an additional tax. Any amounts withheld under the backup withholding rules may be allowed as a refund or a credit against a non-U.S. holder's U.S. federal income tax liability, provided the required information is timely furnished to the IRS.

Additional Withholding Tax on Payments Made to Foreign Accounts

Withholding taxes may be imposed under the Foreign Account Tax Compliance Act, or FATCA, on certain types of payments made to non-U.S. financial institutions and certain other non-U.S. entities. Specifically, a 30% withholding tax may be imposed on dividends on, or gross proceeds from the sale or other disposition of, our common stock paid to a "foreign financial institution" or a "non-financial foreign entity" (each as defined in the Code), unless (1) the foreign financial institution undertakes certain diligence and reporting obligations, (2) the non-financial foreign entity either certifies it does not have any "substantial United States owners" (as defined in the Code) or furnishes identifying information regarding each substantial United States owner, or (3) the foreign financial institution or non-financial foreign entity otherwise qualifies for an exemption from these rules. If the payee is a foreign financial institution and is subject to the diligence and reporting requirements in (1) above, it must enter into an agreement with the U.S. Department of the Treasury requiring, among other things, that it undertake to identify accounts held by certain "specified United States persons" or "United States-owned foreign entities" (each as defined in the Code), annually report certain information about such accounts, and withhold 30% on payments to non-compliant foreign financial institutions and certain other account holders.

The withholding provisions described above will generally apply to payments of dividends made on or after July 1, 2014 and to payments of gross proceeds from a sale or other disposition of stock on or after January 1, 2017. Because we may not know the extent to which a distribution is a dividend for U.S. federal income tax purposes at the time it is made, for purposes of these withholding rules we may treat the entire distribution as a dividend. Prospective investors should consult their tax advisors regarding these withholding provisions.

UNDERWRITING (CONFLICT OF INTEREST)

We and the underwriters named below will enter into an underwriting agreement with respect to the shares being offered. Subject to certain conditions, each underwriter will severally agree to purchase the number of shares indicated in the following table. Goldman, Sachs & Co. and Morgan Stanley & Co. LLC are acting as representatives of the underwriters.

Underwriters	Number of Shares
Goldman, Sachs & Co.	
Morgan Stanley & Co. LLC	
Leerink Partners LLC	
Janney Montgomery Scott LLC	
Total	4,000,000

The underwriters are committed to take and pay for all of the shares being offered, if any are taken, other than the shares covered by the option described below unless and until this option is exercised.

If the underwriters sell more shares than the total number set forth in the table above, the underwriters have an option to purchase up to an additional 600,000 shares from us. They may exercise that option for 30 days. If any shares are purchased pursuant to this option, the underwriters will severally purchase shares in approximately the same proportion as set forth in the table above.

The following table shows the per share and total underwriting discounts to be paid to the underwriters by us. Such amounts are shown assuming both no exercise and full exercise of the underwriters' option to purchase 600,000 additional shares.

	No Exercise	Full Exercise
Per Share	$	$
Total	$	$

Shares sold by the underwriters to the public will initially be offered at the initial public offering price set forth on the cover of this prospectus. Any shares sold by the underwriters to securities dealers may be sold at a discount of up to $ per share from the initial public offering price. If all the shares are not sold at the initial public offering price, the representative may change the offering price and the other selling terms. The offering of the shares by the underwriters is subject to receipt and acceptance and subject to the underwriters' right to reject any order in whole or in part.

We and our officers, directors, and holders of substantially all of our common stock have agreed with the underwriters, subject to certain exceptions, not to dispose of or hedge any of their common stock or securities convertible into or exchangeable for shares of common stock during the period from the date of this prospectus continuing through the date 180 days after the date of this prospectus, except with the prior written consent of the representative. See "Shares Eligible for Future Sale — Lock-Up Agreements".

Certain of our existing stockholders and their affiliated entities, including Aisling Capital and affiliates of Goldman, Sachs & Co., have indicated an interest in purchasing an aggregate of up to $17 million in shares of our common stock in this offering at the initial public offering price. However, because indications of interest are not binding agreements or commitments to purchase, any of these existing stockholders may determine to increase or reduce the amount of its indication of interest, or otherwise elect not to purchase any such shares. It is also possible that the number

of shares, if any, allocated to each of these investors in the offering may be smaller than the amount of that investor's indication of interest. Any allocation of shares in the offering to these existing stockholders will be made at our direction. The underwriters will receive the same underwriting discount on any shares purchased by these entities as they will on any other shares sold to the public in this offering. With respect to any shares purchased by affiliates of Goldman, Sachs & Co., the shares will be deemed to be an item of value in connection with this offering pursuant to FINRA Rule 5110(c)(3)(A)(vii)(d). Affiliates of Goldman, Sachs & Co. will not in the aggregate purchase more than 18.1% of the shares in this offering.

Goldman, Sachs & Co. and its affiliates that have expressed an interest in purchasing shares of common stock in this offering have agreed that for a period of 180 days immediately following the date of this prospectus, any shares of our common stock purchased in this offering shall be subject to the lock-up restrictions set forth in FINRA Rule 5110(g)(1) (which provides that in any public equity offering, any securities of the issuer acquired by an underwriter or related person during the 180 days prior to the required filing date of such offering shall not be sold during the offering or sold, transferred, assigned, pledged, or hypothecated, or be the subject of any hedging, short sale, derivative, put, or call transaction that would result in the effective economic disposition of the securities by any person for a period of 180 days immediately following the date of effectiveness or commencement of sales of the public offering, except as provided in FINRA Rule 5110(g)(2)).

Prior to this offering, there has been no public market for the shares. The initial public offering price will be negotiated among us and the representatives. Among the factors to be considered in determining the initial public offering price of the shares, in addition to prevailing market conditions, will be our historical performance, estimates of our business potential and earnings prospects, an assessment of our management and the consideration of the above factors in relation to market valuation of companies in related businesses.

We have applied to list the common stock on The NASDAQ Global Market under the symbol "TTOO".

At our request, the underwriters have reserved 5% of the shares of common stock to be issued by us and offered by this prospectus for sale, at the initial public offering price, to our directors, officers, employees, business associates and related persons. The sales will be made by Morgan Stanley Smith Barney LLC, a selected dealer affiliated with Morgan Stanley & Co. LLC, an underwriter for this offering. The number of shares of common stock available for sale to the general public will be reduced to the extent these individuals purchase such reserved shares. Any reserved shares that are not so purchased will be offered by the underwriters to the general public on the same basis as the other shares offered by this prospectus.

In connection with this offering, the underwriters may purchase and sell shares of common stock in the open market. These transactions may include short sales, stabilizing transactions and purchases to cover positions created by short sales. Shorts sales involve the sale by the underwriters of a greater number of shares than they are required to purchase in this offering. "Covered" short sales are sales made in an amount not greater than the underwriters' option to purchase additional shares from us in this offering. The underwriters may close out any covered short position by either exercising their option to purchase additional shares or purchasing shares in the open market. In determining the source of shares to close out the covered short position, the underwriters will consider, among other things, the price of shares available for purchase in the open market as compared to the price at which they may purchase additional shares pursuant to the option granted to them. "Naked" short sales are any sales in excess of such option. The underwriters must close out any naked short position by purchasing shares in the open market. A naked short position is more likely to be created if the underwriters are concerned that there may

be downward pressure on the price of the common stock in the open market after pricing that could adversely affect investors who purchase in this offering. Stabilizing transactions consist of various bids for or purchases of common stock made by the underwriters in the open market prior to the closing of this offering.

The underwriters may also impose a penalty bid. This occurs when a particular underwriter repays to the underwriters a portion of the underwriting discount received by it because the representatives have repurchased shares sold by or for the account of such underwriter in stabilizing or short covering transactions.

Purchases to cover a short position and stabilizing transactions, as well as other purchases by the underwriters for their own accounts, may have the effect of preventing or retarding a decline in the market price of our common stock, and, together with the imposition of the penalty bid, may stabilize, maintain or otherwise affect the market price of our common stock. As a result, the price of the common stock may be higher than the price that otherwise might exist in the open market. If these activities are commenced, they may be discontinued at any time. These transactions may be effected on The NASDAQ Global Market, in the over-the-counter market or otherwise.

Neither we nor any of the underwriters make any representation or prediction as to the direction or magnitude of any effect that the transactions described above may have on the price of our common stock. In addition, neither we nor any of the underwriters make any representation that the representative will engage in these transactions or that these transactions, once commenced, will not be discontinued without notice.

In connection with this offering, certain of the underwriters or securities dealers may distribute prospectuses by electronic means, such as e-mail. In addition, certain of the underwriters or securities dealers may facilitate Internet distribution for this offering to certain of its Internet subscription customers. Certain of the underwriters may allocate a limited number of shares for sale to online brokerage customers. An electronic prospectus is available on the Internet websites maintained by certain of the underwriters. Other than the prospectus in electronic format, the information on the underwriters' websites are not part of this prospectus.

The underwriters do not expect sales to discretionary accounts to exceed five percent of the total number of shares offered.

We estimate that the total expenses of this offering payable by us, excluding the underwriting discount, will be approximately $2.5 million. We have agreed to reimburse the underwriters for certain expenses in an amount up to $30,000.

We have agreed to indemnify the several underwriters against certain liabilities, including liabilities under the Securities Act.

Conflict of Interest

Certain affiliates of Goldman, Sachs & Co., an underwriter of this offering, beneficially own approximately 18.1% of our common stock as of June 30, 2014, and are together entitled to designate one member of our board of directors prior to the closing of this offering. As a result, Goldman, Sachs & Co. is deemed to have a "conflict of interest" within the meaning of Rule 5121 of the Financial Industry Regulatory Authority, or FINRA. Accordingly, this offering will be made in compliance with the applicable provisions of FINRA Rule 5121. FINRA Rule 5121 prohibits Goldman, Sachs & Co. from making sales to discretionary accounts without the prior written approval of the account holder and requires that a "qualified independent underwriter," as defined in FINRA Rule 5121, participate in the preparation of the registration statement, of which this prospectus forms a part, and exercise its usual standards of due diligence with respect thereto. Morgan Stanley & Co. LLC has agreed to act as "qualified independent underwriter" for this

offering. Morgan Stanley & Co. LLC will not receive any additional fees for serving as "qualified independent underwriter" in connection with this offering. We have agreed to indemnify Morgan Stanley & Co. LLC against certain liabilities incurred in connection with acting as "qualified independent underwriter," including liabilities under the Securities Act and to contribute to payments that Morgan Stanley & Co. LLC may be required to make in that respect.

Other Relationships

The underwriters and their respective affiliates are full service financial institutions engaged in various activities, which may include securities trading, commercial and investment banking, financial advisory, investment management, investment research, principal investment, hedging, financing and brokerage activities. Certain of the underwriters and their respective affiliates have, from time to time, performed, and may in the future perform, various financial advisory, commercial banking and investment banking services for the issuer or its affiliates, for which they received or will receive customary fees and expenses. Certain affiliates of Goldman, Sachs & Co. own interests in our company as described in " — Conflict of Interest" above.

In the ordinary course of their various business activities, the underwriters and their respective affiliates may make or hold a broad array of investments and actively trade debt and equity securities (or related derivative securities) and financial instruments (including bank loans) for their own account and for the accounts of their customers, and such investment and securities activities may involve securities or instruments of the issuer. The underwriters and their respective affiliates may also make investment recommendations or publish or express independent research views in respect of such securities or instruments and may at any time hold, or recommend to clients that they acquire, long or short positions in such securities and instruments.

European Economic Area

In relation to each Member State of the European Economic Area which has implemented the Prospectus Directive (each, a Relevant Member State), each underwriter has represented and agreed that with effect from and including the date on which the Prospectus Directive is implemented in that Relevant Member State (the Relevant Implementation Date) it has not made and will not make an offer of shares to the public in that Relevant Member State prior to the publication of a prospectus in relation to the shares which has been approved by the competent authority in that Relevant Member State or, where appropriate, approved in another Relevant Member State and notified to the competent authority in that Relevant Member State, all in accordance with the Prospectus Directive, except that it may, with effect from and including the Relevant Implementation Date, make an offer of shares to the public in that Relevant Member State at any time:

(1) to any legal entity which is a qualified investor as defined in the Prospectus Directive;

(2) to fewer than 100 or, if the Relevant Member State has implemented the relevant provision of the 2010 PD Amending Directive, 150 natural or legal persons (other than qualified investors as defined in the Prospectus Directive), as permitted under the Prospectus Directive, subject to obtaining the prior consent of the relevant underwriter or underwriters nominated by the Issuer for any such offer; or

(3) in any other circumstances which do not require the publication by the Issuer of a prospectus pursuant to Article 3(2) of the Prospectus Directive;

provided that no such offer of shares shall require the Issuer or any underwriter to publish a prospectus pursuant to Article 3 of the Prospectus Directive or supplement a prospectus pursuant to Article 16 of the Prospectus Directive.

For the purposes of this provision, the expression an "offer of shares to the public" in relation to any shares in any Relevant Member State means the communication in any form and by any means of sufficient information on the terms of the offer and the shares to be offered so as to enable an investor to decide to purchase or subscribe the shares, as the same may be varied in that Relevant Member State by any measure implementing the Prospectus Directive in that Relevant Member State and the expression Prospectus Directive means Directive 2003/71/EC (and amendments thereto, including the 2010 PD Amending Directive, to the extent implemented in the Relevant Member State), and includes any relevant implementing measure in the Relevant Member State and the expression 2010 PD Amending Directive means Directive 2010/73/EU.

United Kingdom

Each underwriter has represented and agreed that:

(1) it has only communicated or caused to be communicated and will only communicate or cause to be communicated an invitation or inducement to engage in investment activity (within the meaning of Section 21 of the FSMA) received by it in connection with the issue or sale of the shares in circumstances in which Section 21(1) of the FSMA does not apply to the Issuer; and

(2) it has complied and will comply with all applicable provisions of the FSMA with respect to anything done by it in relation to the shares in, from or otherwise involving the United Kingdom.

Hong Kong

The shares may not be offered or sold by means of any document other than (i) in circumstances which do not constitute an offer to the public within the meaning of the Companies Ordinance (Cap. 32, Laws of Hong Kong), or (ii) to "professional investors" within the meaning of the Securities and Futures Ordinance (Cap. 571, Laws of Hong Kong) and any rules made thereunder, or (iii) in other circumstances which do not result in the document being a "prospectus" within the meaning of the Companies Ordinance (Cap. 32, Laws of Hong Kong), and no advertisement, invitation or document relating to the shares may be issued or may be in the possession of any person for the purpose of issue (in each case whether in Hong Kong or elsewhere), which is directed at, or the contents of which are likely to be accessed or read by, the public in Hong Kong (except if permitted to do so under the laws of Hong Kong) other than with respect to shares which are or are intended to be disposed of only to persons outside Hong Kong or only to "professional investors" within the meaning of the Securities and Futures Ordinance (Cap. 571, Laws of Hong Kong) and any rules made thereunder.

Singapore

This prospectus has not been registered as a prospectus with the Monetary Authority of Singapore. Accordingly, this prospectus and any other document or material in connection with the offer or sale, or invitation for subscription or purchase, of the shares may not be circulated or distributed, nor may the shares be offered or sold, or be made the subject of an invitation for subscription or purchase, whether directly or indirectly, to persons in Singapore other than (i) to an institutional investor under Section 274 of the Securities and Futures Act, Chapter 289 of Singapore (the "SFA"), (ii) to a relevant person, or any person pursuant to Section 275(1A), and in accordance with the conditions, specified in Section 275 of the SFA or (iii) otherwise pursuant to, and in accordance with the conditions of, any other applicable provision of the SFA.

Where the shares are subscribed or purchased under Section 275 by a relevant person which is: (a) a corporation (which is not an accredited investor) the sole business of which is to hold investments and the entire share capital of which is owned by one or more individuals, each of whom is an accredited investor; or (b) a trust (where the trustee is not an accredited investor) whose sole purpose is to hold investments and each beneficiary is an accredited investor, shares, debentures and units of shares and debentures of that corporation or the beneficiaries' rights and interest in that trust shall not be transferable for 6 months after that corporation or that trust has acquired the shares under Section 275 except: (1) to an institutional investor under Section 274 of the SFA or to a relevant person, or any person pursuant to Section 275(1A), and in accordance with the conditions, specified in Section 275 of the SFA; (2) where no consideration is given for the transfer; or (3) by operation of law.

Japan

The securities have not been and will not be registered under the Financial Instruments and Exchange Law of Japan (the Financial Instruments and Exchange Law) and each underwriter has agreed that it will not offer or sell any securities, directly or indirectly, in Japan or to, or for the benefit of, any resident of Japan (which term as used herein means any person resident in Japan, including any corporation or other entity organized under the laws of Japan), or to others for re-offering or resale, directly or indirectly, in Japan or to a resident of Japan, except pursuant to an exemption from the registration requirements of, and otherwise in compliance with, the Financial Instruments and Exchange Law and any other applicable laws, regulations and ministerial guidelines of Japan.

LEGAL MATTERS

The validity of the shares of common stock offered hereby will be passed upon for us by Latham & Watkins LLP, Boston, Massachusetts. Certain legal matters will be passed upon for the underwriters by Cooley LLP, New York, New York.

EXPERTS

Ernst & Young LLP, independent registered public accounting firm, has audited our financial statements at December 31, 2012 and 2013, and for the years then ended and for the period from April 27, 2006 (inception) to December 31, 2013, as set forth in their report. We have included our financial statements in the prospectus in reliance on Ernst & Young LLP's report, given on their authority as experts in accounting and auditing.

WHERE YOU CAN FIND MORE INFORMATION

We have filed with the Securities and Exchange Commission a registration statement on Form S-1 under the Securities Act with respect to the shares of common stock offered hereby. This prospectus, which constitutes a part of the registration statement, does not contain all of the information set forth in the registration statement or the exhibits and schedules filed therewith. For further information about us and the common stock offered hereby, we refer you to the registration statement and the exhibits and schedules filed thereto. Statements contained in this prospectus regarding the contents of any contract or any other document that is filed as an exhibit to the registration statement are not necessarily complete, and each such statement is qualified in all respects by reference to the full text of such contract or other document filed as an exhibit to the registration statement. Upon the closing of this offering, we will be required to file periodic reports, proxy statements, and other information with the Securities and Exchange Commission pursuant to the Securities Exchange Act of 1934. You may read and copy this information at the Public Reference Room of the Securities and Exchange Commission, 100 F Street, N.E., Room 1580, Washington, D.C. 20549. You may obtain information on the operation of the public reference rooms by calling the Securities and Exchange Commission at 1-800-SEC-0330. The Securities and Exchange Commission also maintains an Internet website that contains reports, proxy statements and other information about registrants, like us, that file electronically with the Securities and Exchange Commission. The address of that site is *www.sec.gov*.

INDEX TO FINANCIAL STATEMENTS

Report of Independent Registered Public Accounting Firm

The Board of Directors and Stockholders of
T2 Biosystems, Inc.

We have audited the accompanying balance sheets of T2 Biosystems, Inc. (a development stage enterprise) (the Company) as of December 31, 2012 and 2013, and the related statements of operations and comprehensive loss, redeemable convertible preferred stock and stockholders' (deficit) equity and cash flows for the years then ended and the period from April 27, 2006 (inception) to December 31, 2013. These financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on these financial statements based on our audits.

We conducted our audits in accordance with the standards of the Public Company Accounting Oversight Board (United States). Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. We were not engaged to perform an audit of the Company's internal control over financial reporting. Our audit included consideration of internal control over financial reporting as a basis for designing audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control over financial reporting. Accordingly, we express no such opinion. An audit also includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements, assessing the accounting principles used and significant estimates made by management, and evaluating the overall financial statement presentation. We believe that our audits provide a reasonable basis for our opinion.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of T2 Biosystems, Inc. (a development stage enterprise) as of December 31, 2012 and 2013 and the results of its operations and its cash flows for the years then ended and the period from April 27, 2006 (inception) to December 31, 2013, in conformity with U.S. generally accepted accounting principles.

/s/ Ernst & Young LLP

Boston, Massachusetts
April 24, 2014, except for Note 17(a) and (b),
as to which the date is July 15, 2014,
and Note 17(c), as to which the date is July 25, 2014

T2 Biosystems, Inc.
(A Development Stage Company)

Balance Sheets

(In thousands, except share and per share data)

	December 31, 2012	December 31, 2013	March 31, 2014 Actual (unaudited)	March 31, 2014 Pro forma (unaudited)
Assets				
Current assets:				
Cash and cash equivalents	$ 9,709	$ 30,198	$ 23,698	$ 30,323
Prepaid expenses and other current assets	60	195	247	247
Restricted cash, current portion	80	—	—	—
Total current assets	9,849	30,393	23,945	30,570
Property and equipment, net	1,195	1,118	1,237	1,237
Restricted cash, net of current portion	340	340	340	340
Other assets	47	34	310	310
Total assets	$ 11,431	$ 31,885	$ 25,832	$ 32,457
Liabilities, redeemable convertible preferred stock and stockholders' (deficit) equity				
Current liabilities:				
Accounts payable	$ 571	$ 943	$ 1,035	$ 1,035
Accrued expenses	733	1,319	2,372	2,372
Current portion of notes payable	820	1,759	1,764	280
Current portion of deferred rent	5	25	30	30
Total current liabilities	2,129	4,046	5,201	3,717
Notes payable, net of current portion	5,058	3,299	2,855	11,000
Deferred rent, net of current portion	70	45	35	35
Warrants to purchase redeemable securities	695	1,225	1,152	—
Commitments and contingencies *(Note 14)*				
Redeemable convertible preferred stock (*Note 7*)	66,137	112,813	114,719	—
Stockholders' (deficit) equity:				
Common stock, $0.001 par value; 19,926,408, 28,254,907 and 28,254,907 shares authorized at December 31, 2012 and 2013 and March 31, 2014 (unaudited), respectively; 1,362,043, 1,411,986 and 1,411,986 shares issued and outstanding at December 31, 2012 and 2013 and March 31, 2014 (unaudited), respectively; 200,000,000 shares authorized at March 31, 2014 pro forma (unaudited); 14,021,604 shares issued and outstanding pro forma (unaudited)	1	1	1	14
Additional paid-in capital	—	—	—	96,856
Deficit accumulated during the development stage	(62,659)	(89,544)	(98,131)	(79,165)
Total stockholders' (deficit) equity	(62,658)	(89,543)	(98,130)	17,705
Total liabilities, redeemable convertible preferred stock and stockholders' (deficit) equity	$ 11,431	$ 31,885	$ 25,832	$ 32,457

See accompanying notes to financial statements.

T2 Biosystems, Inc.
(A Development Stage Company)

Statements of Operations and Comprehensive Loss

(In thousands, except share and per share data)

	Year Ended December 31,		Three Months Ended March 31,		Period from April 27, 2006 (Inception) to March 31,
	2012	2013	2013	2014	2014
			(unaudited)	(unaudited)	(unaudited)
Research and grant revenue	$ 19	$ 266	$ —	$ —	$ 3,085
Operating expenses:					
Research and development	11,727	14,936	3,561	5,065	59,388
Selling, general and administrative	2,945	5,022	1,039	1,842	22,552
Total operating expenses	14,672	19,958	4,600	6,907	81,940
Loss from operations	(14,653)	(19,692)	(4,600)	(6,907)	(78,855)
Interest expense, net	(154)	(403)	(105)	(86)	(937)
Other income (expense), net	352	(515)	125	73	611
Net loss	$ (14,455)	$ (20,610)	$ (4,580)	$ (6,920)	$ (79,181)
Comprehensive loss	$ (14,455)	$ (20,610)	$ (4,580)	$ (6,920)	$ (79,181)
Reconciliation of net loss to net loss applicable to common stockholders:					
Net loss	$ (14,455)	$ (20,610)	$ (4,580)	$ (6,920)	$ (79,181)
Accretion of redeemable convertible preferred stock to redemption value	$ (4,412)	$ (6,908)	$ (1,176)	$ (1,906)	$ (21,307)
Net loss applicable to common stockholders	$ (18,867)	$ (27,518)	$ (5,756)	$ (8,826)	$ (100,488)
Net loss per share applicable to common stockholders – basic and diluted	$ (13.86)	$ (19.72)	$ (4.17)	$ (6.25)	$ (99.66)
Weighted-average number of common shares used in computing net loss per share applicable to common stockholders – basic and diluted	1,361,616	1,395,562	1,380,303	1,411,961	1,008,304
Pro forma net loss per share applicable to common stockholders — basic and diluted (unaudited)		$ (1.53)		$ (0.50)	$ (13.33)
Pro forma weighted-average number of common shares used in computing pro forma net loss per share applicable to common stockholders — basic and diluted (unaudited)		13,111,584		14,021,579	5,912,015

See accompanying notes to financial statements.

T2 Biosystems, Inc.
(A Development Stage Company)
Statements of Redeemable Convertible Preferred Stock and Stockholders' (Deficit) Equity
(In thousands, except share and per share data)

	Series A-1 Redeemable Convertible Preferred Stock		Series A-2 Redeemable Convertible Preferred Stock		Series B Redeemable Convertible Preferred Stock		Series C Redeemable Convertible Preferred Stock		Series D Redeemable Convertible Preferred Stock		Series E Redeemable Convertible Preferred Stock		Common Stock		Additional Paid-In Capital	Deficit Accumulated During the Development Stage	Total Stockholders' (Deficit) Equity
	Shares	Amount	Shares	Amount	Shares	Amount	Shares	Amount	Shares	Amount	Shares	Amount	Shares	Amount			
Balance as of April 27, 2006	—	$ —	—	$ —	—	$ —	—	$ —	—	$ —	—	$ —	—	$ —	$ —	$ —	$ —
Issuance of common stock	—	—	—	—	—	—	—	—	—	—	—	—	10,694	—	—	—	—
Issuance of Series A-1 redeemable convertible preferred stock, net of issuance costs of $0	282,849	533	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—
Issuance of Series A-2 redeemable convertible preferred stock, net of issuance costs of $0	—	—	1,703,959	4,845	—	—	—	—	—	—	—	—	—	—	—	—	—
Accretion of Series A-1 and A-2 redeemable convertible preferred stock to redemption value	—	20	—	21	—	—	—	—	—	—	—	—	—	—	(31)	(10)	(41)
Vesting of restricted common stock	—	—	—	—	—	—	—	—	—	—	—	—	347,417	1	5	—	6
Issuance of common stock for services	—	—	—	—	—	—	—	—	—	—	—	—	29,355	—	9	—	9
Stock-based compensation expense	—	—	—	—	—	—	—	—	—	—	—	—	—	—	17	—	17
Net loss	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	(496)	(496)
Balance at December 31, 2006	282,849	553	1,703,959	4,866	—	—	—	—	—	—	—	—	387,466	1	—	(506)	(505)
Accretion of Series A-1 and A-2 redeemable convertible preferred stock to redemption value	—	48	—	418	—	—	—	—	—	—	—	—	—	—	(80)	(386)	(466)
Issuance of common stock for services	—	—	—	—	—	—	—	—	—	—	—	—	20,455	—	7	—	7
Vesting of restricted common stock	—	—	—	—	—	—	—	—	—	—	—	—	198,507	—	3	—	3
Stock-based compensation expense	—	—	—	—	—	—	—	—	—	—	—	—	—	—	70	—	70
Net loss	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	(2,842)	(2,842)
Balance at December 31, 2007	282,849	601	1,703,959	5,284	—	—	—	—	—	—	—	—	606,428	1	—	(3,734)	(3,733)

See accompanying notes to financial statements.

T2 Biosystems, Inc.
(A Development Stage Company)
Statements of Redeemable Convertible Preferred Stock and Stockholders' (Deficit) Equity (Continued)
(In thousands, except share and per share data)

	Series A-1 Redeemable Convertible Preferred Stock		Series A-2 Redeemable Convertible Preferred Stock		Series B Redeemable Convertible Preferred Stock		Series C Redeemable Convertible Preferred Stock		Series D Redeemable Convertible Preferred Stock		Series E Redeemable Convertible Preferred Stock		Common Stock		Additional Paid-In Capital	Deficit Accumulated During the Development Stage	Total Stockholders' (Deficit) Equity
	Shares	Amount	Shares	Amount	Shares	Amount	Shares	Amount	Shares	Amount	Shares	Amount	Shares	Amount			
Issuance of Series B redeemable convertible preferred stock, net of issuance costs of $0	—	$ —	—	$ —	3,249,877	$10,722	—	$ —	—	$ —	—	$ —	—	$ —	$ —	$ —	$ —
Accretion of Series A-1, A-2, and B redeemable convertible preferred stock to redemption value	—	46	—	411	—	369	—	—	—	—	—	—	—	—	(133)	(693)	(826)
Exercise of stock options	—	—	—	—	—	—	—	—	—	—	—	—	16,829	—	8	—	8
Vesting of restricted common stock	—	—	—	—	—	—	—	—	—	—	—	—	244,558	—	25	—	25
Stock-based compensation expense	—	—	—	—	—	—	—	—	—	—	—	—	—	—	100	—	100
Net loss	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	(5,964)	(5,964)
Balance at December 31, 2008	282,849	647	1,703,959	5,695	3,249,877	11,091	—	—	—	—	—	—	867,815	1	—	(10,391)	(10,390)
Accretion of Series A-1, A-2, and B redeemable convertible preferred stock to redemption value	—	46	—	411	—	880	—	—	—	—	—	—	—	—	(244)	(1,093)	(1,337)
Exercise of stock options	—	—	—	—	—	—	—	—	—	—	—	—	6,918	—	3	—	3
Vesting of restricted common stock	—	—	—	—	—	—	—	—	—	—	—	—	241,015	—	24	—	24
Stock-based compensation expense	—	—	—	—	—	—	—	—	—	—	—	—	—	—	217	—	217
Net loss	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	(5,390)	(5,390)
Balance at December 31, 2009	282,849	693	1,703,959	6,106	3,249,877	11,971	—	—	—	—	—	—	1,115,748	1	—	(16,874)	(16,873)

See accompanying notes to financial statements.

T2 Biosystems, Inc.
(A Development Stage Company)
Statements of Redeemable Convertible Preferred Stock and Stockholders' (Deficit) Equity (Continued)
(In thousands, except share and per share data)

	Series A-1 Redeemable Convertible Preferred Stock		Series A-2 Redeemable Convertible Preferred Stock		Series B Redeemable Convertible Preferred Stock		Series C Redeemable Convertible Preferred Stock		Series D Redeemable Convertible Preferred Stock		Series E Redeemable Convertible Preferred Stock		Common Stock		Additional Paid-In Capital	Deficit Accumulated During the Development Stage	Total Stockholders' (Deficit) Equity
	Shares	Amount	Shares	Amount	Shares	Amount	Shares	Amount	Shares	Amount	Shares	Amount	Shares	Amount			
Issuance of Series C redeemable convertible preferred stock, net of issuance costs of $154	—	$ —	—	$ —	—	$ —	4,055,125	$14,691	—	$ —	—	$ —	—	$ —	$ —	$ —	$ —
Accretion of Series A-1, A-2, B, and C redeemable convertible preferred stock to redemption value	—	46	—	408	—	876	—	775	—	—	—	—	—	—	(284)	(1,821)	(2,105)
Exercise of stock options	—	—	—	—	—	—	—	—	—	—	—	—	9,699	—	7	—	7
Vesting of restricted common stock	—	—	—	—	—	—	—	—	—	—	—	—	158,389	—	22	—	22
Stock-based compensation expense	—	—	—	—	—	—	—	—	—	—	—	—	—	—	255	—	255
Net loss	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	(7,234)	(7,234)
Balance at December 31, 2010	282,849	739	1,703,959	6,514	3,249,877	12,847	4,055,125	15,466	—	—	—	—	1,283,836	1	—	(25,929)	(25,928)
Issuance of Series D redeemable convertible preferred stock, net of issuance costs of $147	—	—	—	—	—	—	—	—	5,054,945	22,853	—	—	—	—	—	—	—
Accretion of Series A-1, A-2, B, C, and D redeemable convertible preferred stock to redemption value	—	45	—	404	—	873	—	1,215	—	769	—	—	—	—	(309)	(2,997)	(3,306)
Exercise of stock options	—	—	—	—	—	—	—	—	—	—	—	—	36,891	—	19	—	19
Vesting of restricted common stock	—	—	—	—	—	—	—	—	—	—	—	—	38,991	—	18	—	18
Stock-based compensation expense	—	—	—	—	—	—	—	—	—	—	—	—	—	—	272	—	272
Net loss	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	(15,270)	(15,270)
Balance at December 31, 2011	282,849	784	1,703,959	6,918	3,249,877	13,720	4,055,125	16,681	5,054,945	23,622	—	—	1,359,718	1	—	(44,196)	(44,195)

See accompanying notes to financial statements.

T2 Biosystems, Inc.
(A Development Stage Company)
Statements of Redeemable Convertible Preferred Stock and Stockholders' (Deficit) Equity (Continued)
(In thousands, except share and per share data)

	Series A-1 Redeemable Convertible Preferred Stock		Series A-2 Redeemable Convertible Preferred Stock		Series B Redeemable Convertible Preferred Stock		Series C Redeemable Convertible Preferred Stock		Series D Redeemable Convertible Preferred Stock		Series E Redeemable Convertible Preferred Stock		Common Stock		Additional Paid-In Capital	Deficit Accumulated During the Development Stage	Total Stockholders' (Deficit) Equity
	Shares	Amount	Shares	Amount	Shares	Amount	Shares	Amount	Shares	Amount	Shares	Amount	Shares	Amount			
Accretion of Series A-1, A-2, B, C, and D redeemable convertible preferred stock to redemption value	—	$ 46	—	$ 404	—	$ 874	—	$ 1,214	—	$ 1,874	—	$ —	—	$ —	$ (404)	$ (4,008)	$ (4,412)
Exercise of stock options	—	—	—	—	—	—	—	—	—	—	—	—	2,325	—	1	—	1
Stock-based compensation expense	—	—	—	—	—	—	—	—	—	—	—	—	—	—	403	—	403
Net loss	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	(14,455)	(14,455)
Balance at December 31, 2012	282,849	830	1,703,959	7,322	3,249,877	14,594	4,055,125	17,895	5,054,945	25,496	—	—	1,362,043	1	—	(62,659)	(62,658)
Issuance of Series E redeemable convertible preferred stock, net of issuance costs of $232	—	—	—	—	—	—	—	—	—	—	6,930,967	39,768	—	—	—	—	—
Accretion of Series A-1, A-2, B, C, D, and E redeemable convertible preferred stock to redemption value	—	44	—	402	—	870	—	1,205	—	1,861	—	2,526	—	—	(633)	(6,275)	(6,908)
Exercise of stock options	—	—	—	—	—	—	—	—	—	—	—	—	49,943	—	55	—	55
Stock-based compensation expense	—	—	—	—	—	—	—	—	—	—	—	—	—	—	578	—	578
Net loss	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	(20,610)	(20,610)
Balance at December 31, 2013	282,849	$ 874	1,703,959	$ 7,724	3,249,877	$15,464	4,055,125	$19,100	5,054,945	$27,357	6,930,967	$42,294	1,411,986	$ 1	$ —	$ (89,544)	$ (89,543)

See accompanying notes to financial statements.

T2 Biosystems, Inc.
(A Development Stage Company)
Statements of Redeemable Convertible Preferred Stock and Stockholders' (Deficit) Equity (Continued)
(In thousands, except share and per share data)

	Series A-1 Redeemable Convertible Preferred Stock		Series A-2 Redeemable Convertible Preferred Stock		Series B Redeemable Convertible Preferred Stock		Series C Redeemable Convertible Preferred Stock		Series D Redeemable Convertible Preferred Stock		Series E Redeemable Convertible Preferred Stock		Common Stock		Additional Paid-In Capital	Deficit Accumulated During the Development Stage	Total Stockhold (Deficit
	Shares	Amount	Shares	Amount	Shares	Amount	Shares	Amount	Shares	Amount	Shares	Amount	Shares	Amount			
Accretion of Series A-1, A-2, B, C, D, and E redeemable convertible preferred stock to redemption value	—	$ 11	—	$ 100	—	$ 217	—	$ 301	—	$ 465	—	$ 812	—	—	$ (239)	$ (1,667)	$ (1
Stock-based compensation expense	—	—	—	—	—	—	—	—	—	—	—	—	—	—	239	—	
Net loss	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	(6,920)	(6
Balance at March 31, 2014 (unaudited)	282,849	$ 885	1,703,959	$ 7,824	3,249,877	$ 15,681	4,055,125	$ 19,401	5,054,945	$ 27,822	6,930,967	$ 43,106	1,411,986	$ 1	—	$ (98,131)	$ (98
Conversion of convertible preferred stock into common stock (unaudited)	(282,849)	$ (885)	(1,703,959)	$ (7,824)	(3,249,877)	$(15,681)	(4,055,125)	$(19,401)	(5,054,945)	$(27,822)	(6,930,967)	$(43,106)	12,516,298	$ 13	$ 95,704	$ 19,002	$ 114
Issuance of common stock upon net exercise of and reclassification of warrants to purchase redeemable convertible preferred stock (unaudited)	—	—	—	—	—	—	—	—	—	—	—	—	93,320	—	1,152	—	1
Loss from extinguishment of notes payable (unaudited)	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	(36)	
Pro forma balance at March 31, 2014 (unaudited)	—	$ —	—	$ —	—	$ —	—	$ —	—	$ —	—	$ —	14,021,604	$ 14	$ 96,856	$ (79,165)	$ 17

See accompanying notes to financial statements.

T2 Biosystems, Inc.
(A Development Stage Company)

Statements of Cash Flows

(In thousands)

	Year Ended December 31,		Three Months Ended March 31,		Period from April 27, 2006 (Inception) to March 31, 2014
	2012	2013	2013	2014	
			(unaudited)		(unaudited)
Operating activities					
Net loss	$ (14,455)	$ (20,610)	$ (4,580)	$ (6,920)	$ (79,181)
Adjustments to reconcile net loss to net cash used in operating activities:					
Depreciation and amortization	571	584	138	144	3,180
Stock-based compensation expense	403	578	122	239	2,150
Noncash interest expense	46	44	11	11	245
Noncash warrant expense	81	—	—	—	598
Change in fair value of warrants	(132)	530	(110)	(73)	346
Loss on disposal of asset	—	6	—	—	6
Stock-based license fees	—	—	—	—	16
Deferred rent	15	(5)	—	(6)	64
Changes in operating assets and liabilities:					
Prepaid expenses and other current assets	(2)	(138)	(108)	(52)	(233)
Accounts payable	(88)	372	38	93	1,036
Accrued expenses	258	586	622	773	2,092
Net cash used in operating activities	(13,303)	(18,053)	(3,867)	(5,791)	(69,681)
Investing activities					
Purchases of property and equipment	(283)	(513)	(115)	(263)	(4,423)
Decrease (increase) in restricted cash	—	80	80	—	(340)
Net cash used in investing activities	(283)	(433)	(35)	(263)	(4,763)
Financing activities					
Proceeds from issuance of redeemable convertible preferred stock, net	—	39,768	39,768	—	93,412
Proceeds from issuance of common stock and stock options exercises, net	1	55	33	—	93
Proceeds from issuance of restricted stock	—	—	—	—	99
Proceeds from issuance of note payable, net	4,924	—			8,331
Repayments of note payable	(374)	(848)	(52)	(446)	(3,793)
Net cash provided by (used in) financing activities	4,551	38,975	39,749	(446)	98,142
Net (decrease) increase in cash and cash equivalents	(9,035)	20,489	35,847	(6,500)	23,698
Cash and cash equivalents at beginning of period	18,744	9,709	9,709	30,198	—
Cash and cash equivalents at end of period	$ 9,709	$ 30,198	$ 45,556	$ 23,698	$ 23,698

See accompanying notes to financial statements.

T2 Biosystems, Inc.
(A Development Stage Company)

Statements of Cash Flows (Continued)

(In thousands)

	Year Ended December 31,		Three Months Ended March 31,		Period from April 27, 2006 (Inception) to March 31, 2014
	2012	2013	2013	2014	
			(unaudited)		(unaudited)
Supplemental disclosures of cash flow information					
Cash paid for interest	$ 101	$ 345	$ 62	$ 51	$ 910
Supplemental disclosures of noncash investing and financing activities					
Accretion of Series A-1, A-2, B, C, D and E redeemable convertible preferred stock to redemption value	$ 4,412	$ 6,908	$ 1,176	$ 1,906	$ 21,307
Warrants issued in connection with debt	$ 64	$ —	$ —	$ —	$ 280
Warrants issued in connection with development agreement	$ —	$ —	$ —	$ —	$ 598
Initial public offering costs incurred but unpaid at period end	$ —	$ —	$ —	$ 280	$ 280

See accompanying notes to financial statements.

T2 Biosystems, Inc.
(A Development Stage Company)

Notes to Financial Statements

Years Ended December 31, 2012 and 2013, Three Months Ended March 31, 2013 and 2014 and the Period from April 27, 2006 (Inception) to March 31, 2014

1. Nature of Business

T2 Biosystems, Inc. (the "Company") was incorporated on April 27, 2006 as a Delaware corporation with operations based in Lexington, Massachusetts. The Company is an *in vitro* diagnostic company that has developed an innovative and proprietary platform that enables rapid, sensitive and simple direct detection of pathogens, biomarkers and other abnormalities across a variety of unpurified patient sample types. The Company is using its T2 Magnetic Resonance platform ("T2MR") to develop a broad set of applications aimed at reducing mortality rates, improving patient outcomes and reducing the cost of healthcare by helping medical professionals make targeted treatment decisions earlier. The Company's initial development efforts target sepsis and hemostasis, areas of significant unmet medical need in which existing therapies could be more effective with improved diagnostics. The Company has completed a pivotal clinical trial for T2Dx and T2Candida.

Since inception, the Company has devoted substantially all of its efforts to research and development, business planning, recruiting management and technical staff, acquiring operating assets and raising capital. The Company has not recognized any revenue from its planned principal operations, and as a result, is considered to be in the development stage.

Liquidity

At December 31, 2013 and March 31, 2014, the Company has a deficit accumulated in the development stage of $89,544,000 and $98,132,000, respectively. The future success of the Company is dependent on its ability to obtain additional capital to develop its product candidates and ultimately upon its ability to attain profitable operations. To date, the Company has funded its operations primarily through private placements of its redeemable convertible preferred stock and through debt financing arrangements. Management believes that its cash resources of $30,198,000 at December 31, 2013 will be sufficient to allow the Company to fund its current operating plan and continue as a going concern through at least January 1, 2015. Thereafter, the Company will be required to obtain additional funding, alternative means of financial support, or both, in order to continue to fund its operations. There can be no assurances, however, that the current operating plan will be achieved or that additional funding will be available on terms acceptable to the Company, or at all.

The Company is subject to a number of risks similar to other life science companies in the development stage, including, but not limited to, raising additional capital, development by its competitors of new technological innovations, development and market acceptance of the Company's product candidates, and protection of proprietary technology.

T2 Biosystems, Inc.
(A Development Stage Company)

Notes to Financial Statements (Continued)

2. Summary of Significant Accounting Policies

Basis of Presentation

The Company's financial statements have been prepared in conformity with generally accepted accounting principles in the United States of America ("GAAP"). Any reference in these notes to applicable guidance is meant to refer to the authoritative United States generally accepted accounting principles as found in the Accounting Standards Codification ("ASC") and Accounting Standards Updates ("ASU") of the Financial Accounting Standards Board ("FASB").

Use of Estimates

The preparation of the Company's financial statements in conformity with GAAP requires management to make estimates and assumptions that affect the amounts reported in the financial statements and accompanying notes. The Company utilizes certain estimates in the determination of the fair value of its common stock and stock options, the fair value of liability-classified warrants, deferred tax valuation allowances, revenue recognition, and to record expenses relating to research and development contracts. The Company bases its estimates on historical experience and other market-specific or other relevant assumptions that it believes to be reasonable under the circumstances. Actual results could differ from such estimates.

The Company utilizes significant estimates and assumptions in determining the fair value of its common stock. The Company utilized various valuation methodologies in accordance with the framework of the 2004 American Institute of Certified Public Accountants Technical Practice Aid, *Valuation of Privately-Held Company Equity Securities Issued as Compensation*, to estimate the fair value of its common stock. Each valuation methodology includes estimates and assumptions that require the Company's judgment. These estimates and assumptions include a number of objective and subjective factors, including external market conditions, the prices at which the Company sold shares of preferred stock, the superior rights and preferences of securities senior to the Company's common stock at the time and the likelihood of achieving a liquidity event, such as an initial public offering or sale. Significant changes to the key assumptions used in the valuations could result in different fair values of common stock at each valuation date.

Unaudited Interim Financial Information

The accompanying interim balance sheet as of March 31, 2014, the statements of operations and comprehensive loss and statements of cash flows for the three months ended March 31, 2013 and 2014 and for the period from April 27, 2006 (inception) to March 31, 2014, the statement of redeemable convertible preferred stock and stockholders' equity (deficit) for the three months ended March 31, 2014, and the financial data and other information disclosed in these notes related to the three months ended March 31, 2013 and 2014 and for the period from April 27, 2006 (inception) to March 31, 2014 are unaudited. The unaudited interim financial statements have been prepared on the same basis as the audited annual financial statements, and, in the opinion of management, reflect all adjustments, consisting of normal recurring adjustments, necessary for the fair presentation of the Company's financial position as of March 31, 2014, and the results of its operations and its cash flows for the three months ended March 31, 2013 and 2014 and for the period from April 27, 2006 (inception) to March 31, 2014. The results for the three months ended

T2 Biosystems, Inc.
(A Development Stage Company)

Notes to Financial Statements (Continued)

2. Summary of Significant Accounting Policies (Continued)

March 31, 2014 are not necessarily indicative of the results to be expected for the year ending December 31, 2014, any other interim periods, or any future year or period.

Unaudited Pro Forma Presentation

In 2014, the Company's board of directors authorized the management of the Company to file a registration statement with the U.S. Securities and Exchange Commission ("SEC") for the Company to sell shares of its common stock to the public. Upon the closing of a qualified (as defined in the Company's Articles of Incorporation) initial public offering ("IPO") or otherwise upon the election of the holders of the specified percentage of redeemable convertible preferred stock, all outstanding shares of redeemable convertible preferred stock will automatically convert into common stock. Upon the closing of the Company's IPO, the authorized capital stock of the Company will consist of 200,000,000 shares of common stock and 10,000,000 shares of preferred stock, which is reflected in the unaudited pro forma balance sheet and statement of redeemable preferred stock and stockholders' (deficit) equity as of March 31, 2014. The unaudited pro forma balance sheet and statement of redeemable convertible preferred stock and stockholders' (deficit) equity as of March 31, 2014 assumes the automatic conversion of all outstanding redeemable convertible preferred stock into shares of common stock and reflects the issuance of 93,320 shares of common stock associated with the expected net exercise of outstanding warrants exercisable for redeemable convertible preferred stock, including the resulting reclassification of the related liability for warrants to purchase redeemable securities to additional paid-in capital, upon the completion of the proposed offering. Additionally, the unaudited pro forma balance sheet and statement of redeemable convertible preferred stock and stockholders' (deficit) equity as of March 31, 2014 reflects the assumed allocation of value to occur upon the automatic conversion of all outstanding redeemable convertible preferred stock into shares of common stock whereupon deficit accumulated during the development stage has been restored for the cumulative accretion to redemption value of redeemable convertible preferred stock recorded through March 31, 2014, while the remainder of value is reflected within common stock and additional paid-in capital. The unaudited pro forma balance sheet and statement of redeemable convertible preferred stock and stockholders' (deficit) equity as of March 31, 2014 reflects the borrowing of $10.0 million under a loan and security agreement with two lenders and the repayment of $3.4 million of outstanding notes payable with an existing lender (see Note 17(b)).

Unaudited pro forma basic and diluted net loss per share was calculated by dividing net loss applicable to common stockholders, excluding accretion to redemption value of redeemable convertible preferred stock and changes in the fair value of the liability for warrants to purchase redeemable securities, by the pro forma weighted-average number of common shares outstanding. The unaudited pro forma weighted-average number of common shares outstanding was computed after giving effect to the assumed conversion of the redeemable convertible preferred stock into shares of common stock and the expected issuance of common stock upon the cashless exercise of warrants to purchase redeemable convertible preferred stock, as if such conversion and net exercise had occurred at the beginning of the period presented, or the date of original issuance, if later. Upon conversion of the redeemable convertible preferred stock into shares of the Company's

T2 Biosystems, Inc.
(A Development Stage Company)

Notes to Financial Statements (Continued)

2. Summary of Significant Accounting Policies (Continued)

common stock in the event of an initial public offering, the holders of the redeemable convertible preferred stock are not entitled to receive undeclared dividends.

Segment Information

Operating segments are defined as components of an enterprise about which separate discrete information is available for evaluation by the chief operating decision maker, or decision-making group, in deciding how to allocate resources and in assessing performance. The Company's chief operating decision maker is the Chief Executive Officer. The Company views its operations and manages its business in one operating segment, which is the business of developing and, upon regulatory clearance, launching commercially its diagnostic products aimed at reducing mortality rates, improving patient outcomes and reducing the cost of healthcare by helping medical professionals make targeted treatment decisions earlier.

Off-Balance Sheet Risk and Concentrations of Credit Risk

The Company has no significant off-balance sheet risks, such as foreign exchange contracts, option contracts, or other foreign hedging arrangements. Cash and cash equivalents are financial instruments that potentially subject the Company to concentrations of credit risk. At December 31, 2012 and 2013, and March 31, 2014, substantially all of the Company's cash was deposited in accounts at one financial institution, with a significant amount invested in money market funds that are invested in short-term U.S. Treasury bills. The Company maintains its cash and cash equivalents, which at times may exceed the federally insured limits, with a large financial institution and, accordingly, the Company believes such funds are subject to minimal credit risk.

Cash Equivalents

Cash equivalents include all highly liquid investments maturing within 90 days from the date of purchase. Cash equivalents consist of money market funds invested in short-term U.S. Treasury bills as of December 31, 2012 and 2013, and March 31, 2014.

Revenue Recognition

The Company generates revenue primarily from research and development agreements with government agencies and other third parties. Revenues earned from activities performed pursuant to development agreements is reported as revenue in the statements of operations and comprehensive loss, using the proportional performance method as the work is completed, and the related costs are expensed as incurred as research and development expense.

The timing of cash received from the Company's research and development agreements generally differs from when revenue is recognized. The Company recognizes revenue in accordance with FASB ASC Topic 605, *Revenue Recognition* ("ASC 605"). Accordingly, the Company recognizes revenue when all of the following criteria have been met:

i. Persuasive evidence of an arrangement exists

ii. Delivery has occurred or services have been rendered

T2 Biosystems, Inc.
(A Development Stage Company)

Notes to Financial Statements (Continued)

2. Summary of Significant Accounting Policies (Continued)

iii. The seller's price to the buyer is fixed or determinable

iv. Collectability is reasonably assured

Amounts received prior to satisfying the revenue recognition criteria are recorded as deferred revenue. Criterion (i) is satisfied when the Company has a written agreement or contract in place. Criterion (ii) is satisfied when the Company performs the services. Determination of criteria (iii) and (iv) are based on management's judgments regarding whether the fee is fixed or determinable and the collectability of the fee is reasonably assured.

Revenue from fixed-fee government grants is recognized as the activities are performed in accordance with the terms of the grant.

The Company evaluates consideration given to its customers in accordance with ASC Topic 605-50, *Customer Payments and Incentives* ("ASC 605-50"). Consideration given to a customer is recorded as an expense in the statement of operations in those limited cases when the Company both receives an identifiable benefit in exchange for the consideration and the Company can reasonably estimate the fair value of the identified benefit. Otherwise, the consideration is recorded as a reduction of revenue.

Fair Value Measurements

The Company is required to disclose information on all assets and liabilities reported at fair value that enables an assessment of the inputs used in determining the reported fair values. ASC 820, *Fair Value Measurements and Disclosures* ("ASC 820"), establishes a hierarchy of inputs used in measuring fair value that maximizes the use of observable inputs and minimizes the use of unobservable inputs by requiring that the observable inputs be used when available.

Observable inputs are inputs that market participants would use in pricing the asset or liability based on market data obtained from sources independent of the Company. Unobservable inputs are inputs that reflect the Company's assumptions about the inputs that market participants would use in pricing the asset or liability, and are developed based on the best information available in the circumstances. The fair value hierarchy applies only to the valuation inputs used in determining the reported fair value of the investments and is not a measure of the investment credit quality. The hierarchy defines three levels of valuation inputs:

Level 1 — Quoted unadjusted prices for identical instruments in active markets.

Level 2 — Quoted prices for similar instruments in active markets, quoted prices for identical or similar instruments in markets that are not active, and model-derived valuations in which all observable inputs and significant value drivers are observable in active markets.

Level 3 — Model derived valuations in which one or more significant inputs or significant value drivers are unobservable, including assumptions developed by the Company.

The fair value hierarchy prioritizes valuation inputs based on the observable nature of those inputs. Assets and liabilities measured at fair value are classified in their entirety based on the lowest level of input that is significant to the fair value measurement. The Company's assessment of

T2 Biosystems, Inc.
(A Development Stage Company)

Notes to Financial Statements (Continued)

2. Summary of Significant Accounting Policies (Continued)

the significance of a particular input to the fair value measurement in its entirety requires management to make judgments and consider factors specific to the asset or liability (See Note 3).

Financial instruments measured at fair value on a recurring basis include cash, money market funds, restricted cash (See Note 3) and warrants to purchase redeemable securities (See Note 10).

For certain financial instruments, including accounts payable and accrued expenses, the carrying amounts approximate their fair values as of December 31, 2012 and 2013 and March 31, 2014 because of their short-term nature. At December 31, 2013 and March 31, 2014, the carrying value of the Company's debt approximated fair value, which was determined using Level 3 inputs, including a quoted rate.

Property and Equipment

Property and equipment are recorded at cost and depreciated over their estimated useful lives using the straight-line method. Repairs and maintenance costs are expensed as incurred, whereas major improvements are capitalized as additions to property and equipment.

Research and Development Costs

Costs incurred in the research and development of the Company's product candidates are expensed as incurred. Research and development expenses consist of costs incurred in performing research and development activities and include salaries and benefits, research-related facility and overhead costs, laboratory supplies, equipment and contract services.

Deferred IPO Issuance Costs

Deferred IPO issuance costs, which primarily consist of direct and incremental legal and accounting fees relating to the IPO, are capitalized. The deferred IPO issuance costs will be offset against IPO proceeds upon the consummation of the offering. In the event the offering is terminated, or delayed more than 90 days, deferred offering costs will be expensed. No amounts were deferred as of December 31, 2012 and 2013. As of March 31, 2014, $0.3 million of deferred IPO issuance costs were recorded in other assets and accrued expenses in the accompanying balance sheet.

Impairment of Long-Lived Assets

The Company reviews long-lived assets for impairment whenever events or changes in circumstances indicate that the carrying amount of an asset may not be recoverable. During this review, the Company reevaluates the significant assumptions used in determining the original cost and estimated lives of long-lived assets. Although the assumptions may vary from asset to asset, they generally include operating results, changes in the use of the asset, cash flows and other indicators of value. Management then determines whether the remaining useful life continues to be appropriate or whether there has been an impairment of long-lived assets based primarily upon whether expected future undiscounted cash flows are sufficient to support the assets' recovery. If impairment exists, the Company would adjust the carrying value of the asset to fair value, generally determined by a discounted cash flow analysis. No impairment charges have been recorded in any of the periods presented.

T2 Biosystems, Inc.
(A Development Stage Company)

Notes to Financial Statements (Continued)

2. Summary of Significant Accounting Policies (Continued)

Comprehensive Loss

Comprehensive loss is defined as the change in equity of a business enterprise during a period from transactions and other events and circumstances from non-owner sources. Comprehensive loss consists of net loss and other comprehensive loss, which includes certain changes in equity that are excluded from net loss. The Company's comprehensive loss equals reported net loss for all periods presented.

Stock-Based Compensation

The Company has a stock-based compensation plan which is more fully described in Note 9. The Company records stock-based compensation for options granted to employees and to members of the board of directors for their services on the board of directors, based on the grant date fair value of awards issued, and the expense is recorded on a straight-line basis over the applicable service period, which is generally four years. The Company accounts for non-employee stock-based compensation arrangements based upon the fair value of the consideration received or the equity instruments issued, whichever is more reliably measurable. The measurement date for non-employee awards is generally the date that the performance of services required for the non-employee award is complete. Stock-based compensation costs for non-employee awards is recognized as services are provided, which is generally the vesting period, on a straight-line basis.

The Company expenses restricted stock awards based on the fair value of the award on a straight-line basis over the associated service period of the award.

The Company uses the Black-Scholes-Merton option pricing model to determine the fair value of stock options. The use of the Black-Scholes-Merton option-pricing model requires management to make assumptions with respect to the expected term of the option, the expected volatility of the common stock consistent with the expected life of the option, risk-free interest rates and expected dividend yields of the common stock. The expected term was determined according to the simplified method, which is the average of the vesting tranche dates and the contractual term. Due to the lack of a public market for the trading of the Company's common stock and a lack of company-specific historical and implied volatility data, the Company based its estimate of expected volatility on the historical volatility of a group of similar companies that are publicly traded. For these analyses, companies with comparable characteristics were selected, including enterprise value and position within the industry, and with historical share price information sufficient to meet the expected life of the stock-based awards. The Company computed the historical volatility data using the daily closing prices for the selected companies' shares during the equivalent period of the calculated expected term of its stock-based awards. The risk-free interest rate is determined by reference to U.S. Treasury zero-coupon issues with remaining maturities similar to the expected term of the options. The Company has not paid, and does not anticipate paying, cash dividends on shares of common stock; therefore, the expected dividend yield is assumed to be zero. The Company is required to estimate forfeitures at the time of grant and revise those estimates in subsequent periods if actual forfeitures differ from those estimates.

T2 Biosystems, Inc.
(A Development Stage Company)

Notes to Financial Statements (Continued)

2. Summary of Significant Accounting Policies (Continued)

Warrants to Purchase Redeemable Securities

The Company has issued warrants to purchase shares of the Company's series A-2 redeemable convertible preferred stock, series B redeemable convertible preferred stock, series C redeemable convertible preferred stock, and series D redeemable convertible preferred stock.

The Company accounts for warrant instruments that either conditionally or unconditionally obligate the issuer to transfer assets as liabilities regardless of the timing of the redemption feature or price, even though the underlying shares may be classified as permanent or temporary equity. Consequently, the warrants to purchase shares of series A-2 preferred stock, series B preferred stock, series C preferred stock, and series D preferred stock are accounted for as liabilities and adjusted to fair value at the end of each reporting period. The liability for warrants to purchase redeemable securities is remeasured at each balance sheet date with changes to fair value being recognized as a component of other income (expense) in the statement of operations and comprehensive loss. The Company will continue to remeasure the fair value of the liability for warrants to purchase redeemable securities at the end of each reporting period until the earlier of the exercise or expiration of the applicable warrants or until such time that the underlying redeemable convertible preferred stock is converted into common stock and reclassified to permanent equity.

Income Taxes

The Company provides for income taxes using the liability method. The Company provides deferred tax assets and liabilities for the expected future tax consequences of temporary differences between the Company's financial statement carrying amounts and the tax basis of assets and liabilities using enacted tax rates expected to be in effect in the years in which the differences are expected to reverse. A valuation allowance is provided to reduce the deferred tax assets to the amount that will more likely than not be realized.

The Company applies ASC 740 *Income Taxes* ("ASC 740") in accounting for uncertainty in income taxes. The Company does not have any material uncertain tax positions for which reserves would be required. The Company will recognize interest and penalties related to uncertain tax positions, if any, in income tax expense.

Guarantees

As permitted under Delaware law, the Company indemnifies its officers and directors for certain events or occurrences while the officer or director is, or was, serving at the Company's request in such capacity. The term of the indemnification is for the officer's or director's lifetime. The maximum potential amount of future payments the Company could be required to make is unlimited; however, the Company has directors' and officers' insurance coverage that limits its exposure and enables it to recover a portion of any future amounts paid.

The Company leases office, laboratory and manufacturing space under noncancelable operating leases. The Company has standard indemnification arrangements under the leases that require it to indemnify the landlord against all costs, expenses, fines, suits, claims, demands,

T2 Biosystems, Inc.
(A Development Stage Company)

Notes to Financial Statements (Continued)

2. Summary of Significant Accounting Policies (Continued)

liabilities, and actions directly resulting from any breach, violation or nonperformance of any covenant or condition of the Company's leases.

As of December 31, 2013 and March 31, 2014, the Company had not experienced any material losses related to these indemnification obligations, and no material claims with respect thereto were outstanding. The Company does not expect significant claims related to these indemnification obligations and, consequently, concluded that the fair value of these obligations is negligible, and no related reserves were established.

Net Loss Per Share

Basic net loss per share is calculated by dividing net loss applicable to common stockholders by the weighted-average number of shares outstanding during the period, without consideration for common stock equivalents. Diluted net loss per share is calculated by adjusting the weighted-average number of shares outstanding for the dilutive effect of common stock equivalents outstanding for the period, determined using the treasury-stock method. For purposes of the diluted net loss per share calculation, redeemable convertible preferred stock, warrants to purchase redeemable convertible preferred stock, stock options and unvested restricted stock are considered to be common stock equivalents, but have been excluded from the calculation of diluted net loss per share, as their effect, including the related impact to the numerator of the fair value adjustment of the warrant and the impact to the denominator of the warrant shares, would be anti-dilutive for all periods presented. Therefore, basic and diluted net loss per share applicable to common stockholders were the same for all periods presented.

Recently Adopted Accounting Pronouncements

From time to time, new accounting pronouncements are issued by the FASB or other standard setting bodies and adopted by the Company as of the specified effective date. Unless otherwise discussed, the Company believes that the impact of recently issued standards that are not yet effective will not have a material impact on its financial position or results of operations upon adoption.

3. Fair Value Measurements

The Company measures the following financial assets and liabilities at fair value on a recurring basis. Except for the valuation methodology used to measure the liability for warrants to purchase redeemable securities (see Note 10), during the periods presented, the Company has not changed the manner in which it values assets and liabilities that are measured at fair value using Level 3 inputs. There were no transfers between levels of the fair value hierarchy during any of the periods presented. The following tables set forth the Company's financial assets and liabilities carried at fair

T2 Biosystems, Inc.
(A Development Stage Company)

Notes to Financial Statements (Continued)

3. Fair Value Measurements (Continued)

value categorized using the lowest level of input applicable to each financial instrument as of December 31, 2012 and 2013 and March 31, 2014 (in thousands):

	Balance at December 31, 2012	Quoted Prices in Active Markets for Identical Assets (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)
Assets:				
Cash	$ 398	$ 398	$ —	$ —
Money market funds	9,311	9,311	—	—
Restricted cash	420	420	—	—
	$ 10,129	$ 10,129	$ —	$ —
Liabilities:				
Warrants to purchase redeemable securities	$ 695	$ —	$ —	$ 695
	$ 695	$ —	$ —	$ 695

	Balance at December 31, 2013	Quoted Prices in Active Markets for Identical Assets (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)
Assets:				
Cash	$ 2,631	$ 2,631	$ —	$ —
Money market funds	27,567	27,567	—	—
Restricted cash	340	340	—	—
	$ 30,538	$ 30,538	$ —	$ —
Liabilities:				
Warrants to purchase redeemable securities	$ 1,225	$ —	$ —	$ 1,225
	$ 1,225	$ —	$ —	$ 1,225

T2 Biosystems, Inc.
(A Development Stage Company)

Notes to Financial Statements (Continued)

3. Fair Value Measurements (Continued)

	Balance at March 31, 2014	Quoted Prices in Active Markets for Identical Assets (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)
Assets:				
Cash	$ 2,130	$ 2,130	$ —	$ —
Money market funds	21,568	21,568	—	—
Restricted cash	340	340	—	—
	$ 24,038	$ 24,038	$ —	$ —
Liabilities:				
Warrants to purchase redeemable securities	$ 1,152	$ —	$ —	$ 1,152
	$ 1,152	$ —	$ —	$ 1,152

The following table sets forth a summary of changes in the fair value of the Company's preferred stock warrant liability (See Note 10), which represents a recurring measurement that is classified within Level 3 of the fair value hierarchy, wherein fair value is estimated using significant unobservable inputs (in thousands):

	Year Ended December 31,		Three Months Ended March 31,	
	2012	2013	2013	2014
Beginning balance	$ 763	$ 695	$ 695	$ 1,225
Additional warrants issued	64	—	—	—
Change in fair value, recorded as a component of other income (expense)	(132)	530	(110)	(73)
Ending balance	$ 695	$ 1,225	$ 585	$ 1,152

4. Restricted Cash

The Company is required to maintain a security deposit for its operating lease agreement for the duration of the lease agreement and for its credit cards as long as they are in place. At December 31, 2012 and 2013 and March 31, 2014, the Company had certificates of deposit for $420,000, $340,000 and $340,000, respectively, which represented collateral as security deposits for its operating lease agreement for its facility and its credit card. In accordance with the operating lease agreement, the Company reduced its security deposit by $80,000 to $320,000 on January 14, 2013.

T2 Biosystems, Inc.
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Notes to Financial Statements (Continued)

5. Supplemental Balance Sheet Information

Property and Equipment

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

	Estimated Useful Life (Years)	December 31, 2012	December 31, 2013	March 31, 2014
Office and computer equipment	3	$ 300	$ 302	$ 303
Software	3	186	186	199
Laboratory equipment	5	2,440	2,770	2,879
Furniture	5 - 7	171	179	179
Leasehold improvements	Lesser of useful life or lease term	175	332	332
Construction in progress	n/a	—	—	140
		3,272	3,769	4,032
Less accumulated depreciation and amortization		(2,077)	(2,651)	(2,795)
Property and equipment, net		$ 1,195	$ 1,118	$ 1,237

Construction in progress is primarily comprised of capitalized internal use software costs related to projects that have not been placed in service.

Depreciation and amortization expense of $571,000, $584,000, $138,000, $144,000 and $3,180,000 was charged to operations for the years ended December 31, 2012 and 2013, the three months ended March 31, 2013 and 2014 and for the period from April 27, 2006 (inception) to March 31, 2014, respectively.

Accrued Expenses

Accrued expenses consist of the following (in thousands):

	December 31, 2012	December 31, 2013	March 31, 2014
Accrued payroll and compensation	$ 384	$ 496	$ 388
Accrued professional services	120	101	517
Accrued research and development expenses	101	422	916
Other accrued expenses	128	300	551
Total accrued expenses	$ 733	$ 1,319	$ 2,372

T2 Biosystems, Inc.
(A Development Stage Company)

Notes to Financial Statements (Continued)

6. Debt

Secured Notes Payable

On August 30, 2007, the Company entered into a loan and security agreement ("Note Agreement 1") with a lender to borrow up to $2,000,000 for the purchase of laboratory equipment and office equipment through August 30, 2008. On June 26, 2009, the Company entered into a loan modification agreement with the lender which provided additional borrowing of up to $1,500,000 through June 25, 2010.

The amounts borrowed are collateralized by the assets of the Company, bear interest between 5.5% and 10.3%, and are payable in 36 or 48 monthly installments. Note Agreement 1 requires a final payment of 1.6% to 3.75% of the aggregate original principal amount of each borrowing. This final payment is recorded as deferred financing cost and amortized to interest expense over the term of the borrowing. No amounts remain outstanding under Note Agreement 1 as of December 31, 2013.

On May 9, 2011, the Company entered into a promissory agreement ("Note Agreement 2") with a separate lender to borrow up to $1,688,000 for the purchase of laboratory equipment and office equipment through December 2013. The amounts borrowed are collateralized by the associated equipment and bear interest at 6.5%. The Company paid interest only on the borrowings through December 2013 and will make equal monthly payments of principal and interest through the maturity date of May 2018. During 2012 the Company borrowed $451,000 under the agreement.

The Note Agreement 2 includes financial covenants that require the Company to maintain a minimum cash balance of $300,000.

On June 25, 2012, the Company entered into a loan and security agreement ("Note Agreement 3") with the same lender as Note Agreement 1 to borrow up to $4,500,000 for operations through December 31, 2012. The amounts borrowed are collateralized by the assets of the Company and bear interest at 6.25%. The Company paid interest only on the borrowings through June 30, 2013 and then makes 36 equal month payments of principal plus monthly payments of accrued interest. During 2012, the Company borrowed $4,500,000 under the agreement. The debt can be prepaid at the option of the Company, and is subject to a prepayment premium of 2% if it is repaid prior the first anniversary of the borrowing date, and 1% if the debt is prepaid prior to the second anniversary of the borrowing date.

In addition, Note Agreement 2 contains a subjective acceleration clause whereby an event of default and immediate acceleration of the borrowing under the security and loan agreement occurs if there is a material adverse change in the business, operations, or condition (financial or otherwise) of the Company or a material impairment of the prospect of repayment of any portion of the obligations. The lender has not exercised its right under this clause, as there have been no such events. The Company believes that the likelihood of the lender exercising this right is remote.

Interest expense for the years ended December 31, 2012 and 2013, was $156,000 and $410,000, respectively, and for the three months ended March 31, 2013 and 2014 was $106,000 and $87,000, respectively, and was $1,181,000 for the cumulative period from April 27, 2006 (inception) to March 31, 2014.

T2 Biosystems, Inc.
(A Development Stage Company)

Notes to Financial Statements (Continued)

6. Debt (Continued)

During 2007, the Company issued a fully vested warrant to purchase 13,769 shares of the Company's series A-2 preferred stock in connection with Note Agreement 1. In 2009, the Company issued a fully vested warrant to purchase 9,036 shares of the Company's series B preferred stock in connection with the modification of Note Agreement 1. In 2011, the Company issued a fully vested warrant to purchase 30,000 shares of the Company's series C preferred stock in connection with Note Agreement 2. In 2012, the Company issued a fully vested warrant to purchase 19,780 shares of the Company's series D preferred stock in connection with Note Agreement 3. The fair market value of the warrants at issuance, in the aggregate amount of $208,000, was recorded as a debt discount and is being amortized as additional interest expense over the term of the notes. The Company recognized $25,000, $29,000, $7,000, and $7,000 of additional interest expense for the years ended December 31, 2012 and 2013 and for the three months ended March 31, 2013 and 2014, respectively, and $121,000 for the cumulative period from April 27, 2006 (inception) to March 31, 2014, associated with the amortization of the debt discount related to the warrants issued.

Future principal payments on the notes payable as of December 31, 2013 are as follows (in thousands):

Year ended December 31,	
2014	$ 1,788
2015	1,808
2016	1,079
2017	351
2018	126
Total debt payments	5,152
Less current portion	(1,759)
Less debt discount	(94)
Notes payable, net of current portion	$ 3,299

T2 Biosystems, Inc.
(A Development Stage Company)

Notes to Financial Statements (Continued)

7. Redeemable Convertible Preferred Stock

The Company's Preferred Stock consisted of the following (in thousands, except share and per share data):

	December 31,		March 31, 2014	
	2012	2013	Actual	Pro Forma (unaudited)
Series A-1 redeemable convertible preferred stock $0.001 par value; 282,849 shares authorized, issued, and outstanding at December 31, 2012 and 2013 and March 31, 2014 (unaudited); no shares issued and outstanding pro forma (unaudited); (liquidation preference of $877 at December 31, 2013 and $888 at March 31, 2014)	$ 830	$ 874	$ 885	$ —
Series A-2 redeemable convertible preferred stock $0.001 par value; 1,717,728 shares authorized; 1,703,959 shares issued and outstanding at December 31, 2012 and 2013 and March 31, 2014 (unaudited); no shares issued and outstanding pro forma (unaudited); (liquidation preference of $7,744 at December 31, 2013 and $7,843 at March 31, 2014)	7,322	7,724	7,824	—
Series B redeemable convertible preferred stock $0.001 par value; 3,523,765 shares authorized; 3,249,877 shares issued and outstanding at December 31, 2012 and 2013 and March 31, 2014 (unaudited); no shares issued and outstanding pro forma (unaudited); (liquidation preference of $15,485 at December 31, 2013 and $15,701 at March 31, 2014)	14,594	15,464	15,681	—
Series C redeemable convertible preferred stock $0.001 par value; 4,085,125 shares authorized; 4,055,125 shares issued and outstanding at December 31, 2012 and 2013 and March 31, 2014 (unaudited); no shares issued and outstanding pro forma (unaudited); (liquidation preference of $19,166 at December 31, 2013 and $19,463 at March 31, 2014)	17,895	19,100	19,401	—
Series D redeemable convertible preferred stock $0.001 par value; 5,074,725 shares authorized; 5,054,945 shares issued and outstanding at December 31, 2012 and 2013 and March 31, 2014 (unaudited); no shares issued and outstanding pro forma (unaudited); (liquidation preference of $27,441 at December 31, 2013 and $27,901 at March 31, 2014)	25,496	27,357	27,822	—
Series E redeemable convertible preferred stock $0.001 par value; no shares authorized at December 31, 2012 and 6,960,967 shares authorized at December 31, 2013 and March 31, 2014; no shares issued and outstanding at December 31, 2012 and 6,930,967 shares issued and outstanding at December 31, 2013 and March 31, 2014 (unaudited); no shares issued and outstanding pro forma (unaudited); (liquidation preference of $42,490 at December 31, 2013 and $43,290 at March 31, 2014)	—	42,294	43,106	—
Total redeemable convertible preferred stock	$ 66,137	$ 112,813	$ 114,719	$ —

As of December 31, 2013 and March 31, 2014, the authorized capital stock of the Company included 21,645,159 shares of preferred stock, $0.001 par value, of which 282,849 shares are

T2 Biosystems, Inc.
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Notes to Financial Statements (Continued)

7. Redeemable Convertible Preferred Stock (Continued)

designated series A-1 preferred stock, 1,717,728 shares are designated series A-2 preferred stock, 3,523,765 are designated series B preferred stock, 4,085,125 shares are designated series C preferred stock, 5,074,725 shares are designated series D preferred stock and 6,960,967 shares are designated series E preferred stock (collectively, "Preferred Stock").

On March 22, 2013, the Company sold and issued 6,930,967 shares of series E preferred stock at $5.7712 per share to investors for total consideration of $40,000,000.

On August 3, 2011, the Company issued 5,054,945 shares of series D preferred stock at $4.55 per share to investors for total consideration of $23,000,000.

In May 2010, the Company issued 4,055,125 shares of series C preferred stock at $3.6608 per share to investors for total consideration of $14,845,000.

In July 2008, the Company issued 3,159,603 shares of series B preferred stock at $3.3232 per share to investors for total consideration of $10,500,000. The total consideration included the conversion of $505,000 of convertible promissory notes ("Convertible Notes") with a face value of $500,000. In accordance with the terms of the Convertible Notes, 151,964 shares of series B preferred stock were issued to note holders upon the conversion of the Convertible Notes. In September 2008, in connection with a development agreement (see Note 12), the Company issued an additional 90,274 shares of series B preferred stock at $3.3232 per share for total consideration of $300,000.

In December 2006, the Company issued 1,703,959 shares of series A-2 preferred stock at $2.905 per share for total consideration of $4,950,000.

In July 2006, the Company issued 282,849 shares of series A-1 preferred stock at $1.9445 per share for total consideration of $550,000.

The Company performs assessments of all terms and features of its redeemable convertible preferred stock in order to identify any potential embedded features that would require bifurcation or any beneficial conversion features. As part of this analysis, the Company assessed the economic characteristics and risks of its Preferred Stock, including conversion, liquidation and redemption features, as well as dividend and voting rights. Based on the Company's determination that each series of its Preferred Stock is an "equity host," the Company determined that the conversion features of the Preferred Stock are clearly and closely related to the equity host, and such conversion features do not require bifurcation as a derivative liability. In addition, the embedded put options related to the liquidation and redemption features do not meet the definition of a derivative and also do not require bifurcation as a derivative liability.

The Company accounts for potential beneficial conversion features under ASC 470-20, *Debt with Conversion and other Options*. At the time of each of the issuances of Preferred Stock, the common stock into which the Preferred Stock is convertible had a fair value less than the effective conversion price of the Preferred Stock and, accordingly, there was no intrinsic value on the respective commitment dates.

The rights, preferences, and privileges of the preferred stock are as follows:

T2 Biosystems, Inc.
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Notes to Financial Statements (Continued)

7. Redeemable Convertible Preferred Stock (Continued)

Voting

The holders of the Preferred Stock are entitled to vote, together with the holders of common stock, on all matters submitted to stockholders for a vote, except with respect to matters on which Delaware General Corporation Law requires that a vote will be by a separate class. Each preferred stockholder is entitled to the number of votes equal to the number of shares of common stock into which each share of Preferred Stock is convertible at the time of such vote.

A majority vote of the holders of Preferred Stock is required in order to amend the certificate of incorporation and the bylaws, create or authorize additional shares of Preferred Stock, effect a sale, liquidation or merger of the Company, or effect an acquisition.

A majority vote of the holders of Preferred Stock or approval of the board of directors, including the affirmative vote of the majority of board members designated by the holders of Preferred Stock, is required in order to incur debt, create a new plan for the grant of stock options or issuance of restricted stock, increase or decrease the authorized number of board members, pay or declare any dividends (except dividends payable solely in shares of common stock) or repurchase or redeem any capital stock (except redemptions of Preferred Stock or certain repurchases of common stock).

For each series of Preferred Stock, a majority vote (or, in the case of series A and series B, a 66% vote, or, in the case of the series C, a 75% vote) of the holders of that series of Preferred Stock is required to adversely amend the rights of that series of Preferred Stock.

Dividends

Dividends accrue on Preferred Stock from the date of issuance at a rate of 8% per annum per share. Dividends will accrue from day to day, whether or not earned or declared, and shall be cumulative and non-compounding.

Liquidation Preference

In the event of any liquidation, dissolution or winding up of the affairs of the Company, the holders of the then-outstanding Preferred Stock shall receive on a pari passu basis, before any payment shall be made to the holders of common stock, the greater of (1) $1.9445 per share for series A-1 preferred stock, $2.905 per share for series A-2 preferred stock, $3.3232 per share for series B preferred stock, $3.6608 per share for series C preferred stock, $4.55 per share for series D preferred stock, and $5.7712 per share for series E preferred stock, plus all unpaid accrued dividends, or (2) such amount per share of preferred stock payable as if converted into common stock. If the assets or surplus funds to be distributed to the holders of the Preferred Stock are insufficient to permit the payment to such holders of their full preferential amount, the assets and surplus funds legally available for distribution shall be distributed ratably among the holders of the Preferred Stock in proportion to the full preferential amount that each holder is otherwise entitled to receive. After the payment of any preferential amount to preferred stockholders, any remaining assets of the Company shall be distributed ratably among the holders of common stock.

T2 Biosystems, Inc.
(A Development Stage Company)

Notes to Financial Statements (Continued)

7. Redeemable Convertible Preferred Stock (Continued)

Conversion

Each share of Preferred Stock, at the option of the holder, is convertible into a number of fully paid shares of common stock as determined by dividing $1.9445 for series A-1 preferred stock, $2.905 for series A-2 preferred stock, $3.3232 for series B preferred stock, $3.6608 for series C preferred stock, $4.55 for series D preferred stock and $5.7712 for series E preferred stock by the conversion price in effect at the time. The initial conversion prices of series A-1, series A-2, series B, series C, series D, and series E preferred stock are $1.9445, $2.905, $3.3232, $3.6608, $4.55 and $5.7712 per share, respectively, and are subject to adjustment in accordance with antidilution provisions contained in the Company's articles of incorporation. Conversion is automatic immediately upon the closing of a firm commitment underwritten public offering in which the public offering price equals or exceeds $12.4211 per share and the gross proceeds are not less than $40,000,000, or upon the written consent of the holders of a majority of the then-outstanding shares of Preferred Stock.

Redemption

Commencing on March 22, 2018, the holders of at least a majority of the outstanding shares of Preferred Stock may require the Company to redeem one-third of the Preferred Stock within 60 days of the redemption election, and on each of the first and second anniversaries thereof, at $1.9445 per share for series A-1 preferred stock, $2.905 per share for series A-2 preferred stock, $3.3232 per share for series B preferred stock, $3.6608 per share for series C preferred stock, $4.55 per share for series D preferred stock and $5.7712 for series E preferred stock, plus accrued but unpaid dividends. The Company is accreting the shares to the redemption values over the period from issuance to the redemption date. The accretion amounts are recorded as an increase to the carrying value of the Preferred Stock with a corresponding charge to additional paid-in capital or deficit accumulated during the development stage, which amounted to $4,412,000 and $6,908,000 for the years ended December 31, 2012 and 2013, respectively, $1,176,000 and $1,906,000 for the three months ended March 31, 2013 and 2014, respectively, and $21,307,000 for the period from April 27, 2006 (inception) to March 31, 2014. The annual accretion related to the Preferred Stock is expected to be $7,624,000 per year during the years ending December 31, 2014, 2015, 2016 and 2017, and $1,692,000 for the year ending December 31, 2018.

As the preferred stock may become redeemable upon an event that is outside of the control of the Company, the Preferred Stock has been classified outside of permanent equity.

8. Stockholders' (Deficit) Equity

Common Stock

Each share of common stock is entitled to one vote. The holders of common stock are also entitled to receive dividends whenever funds are legally available and when declared by the board of directors, subject to the prior rights of holders of all classes of stock outstanding.

T2 Biosystems, Inc.
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Notes to Financial Statements (Continued)

8. Stockholders' (Deficit) Equity (Continued)

The Company has reserved the following shares of common stock as of the periods presented:

	December 31,		March 31,
	2012	2013	2014
Conversion of Series A-1 preferred stock	166,380	166,380	166,380
Conversion of Series A-2 preferred stock	1,002,328	1,002,328	1,002,328
Conversion of Series B preferred stock	1,911,691	1,911,691	1,911,691
Conversion of Series C preferred stock	2,385,370	2,385,370	2,385,370
Conversion of Series D preferred stock	2,973,498	2,973,498	2,973,498
Conversion of Series E preferred stock	—	4,077,031	4,077,031
Warrants to purchase redeemable convertible preferred stock	147,484	147,484	147,484
Options to purchase common stock	1,399,064	2,265,973	2,282,591
Shares available for future issuance under stock incentive plan	322,472	210,042	193,424
	10,308,287	15,139,797	15,139,797

9. Stock-Based Compensation

Stock Incentive Plan

The Company's 2006 Stock Option Plan (the "Plan") provides for the issuance of shares of common stock in the form of incentive stock options, non-qualified stock options, awards of stock and direct stock purchase opportunities to directors, officers, employees and consultants of the Company. Generally, stock options are granted with exercise prices equal to or greater than the fair value of the common stock as determined by the board of directors, expire no later than 10 years from the date of grant, and vest over various periods not exceeding 4 years.

The board of directors has approved increases in the number of shares that may be issued under the Plan as follows:

Date	Additional Shares	Total Shares
January 2008	156,529	359,020
August 2008	294,117	653,137
May 2010	441,176	1,094,313
April 2011	235,294	1,329,607
August 2011	634,720	1,964,327
March 2013	804,430	2,768,757

As of December 31, 2013 and March 31, 2014, 210,042 and 193,424 shares, respectively, were available for future grant under the Plan.

T2 Biosystems, Inc.
(A Development Stage Company)

Notes to Financial Statements (Continued)

9. Stock-Based Compensation (Continued)

Stock Options

During the years ended December 31, 2012 and 2013, the three months ended March 31, 2013 and 2014 and for the period from April 27, 2006 (inception) to March 31, 2014, the Company granted options with an aggregate fair value of $702,000, $1,991,000, $38,000, $432,000 and $4,529,000, respectively, which are being amortized into compensation expense over the vesting period of the options as the services are being provided. The following is a summary of option activity under the Plan (in thousands, except share and per share amounts):

	Number of Shares	Weighted-Average Exercise Price Per Share	Weighted-Average Remaining Contractual Term (In years)	Aggregate Intrinsic Value
Outstanding at December 31, 2012	1,399,064	$ 1.96	7.96	$ 505
Granted	1,071,217	3.18		
Exercised	(49,945)	1.09		71
Cancelled	(154,363)	2.28		
Outstanding at December 31, 2013	2,265,973	2.53	8.23	11,510
Granted	75,441	3.21		
Cancelled	(58,823)	2.33		
Outstanding at March 31, 2014	2,282,591	2.57	8.06	18,555
Exercisable at December 31, 2013	904,877	1.85	6.7	5,216
Vested or expected to vest at December 31, 2013	2,021,667	2.47	8.06	10,427
Exercisable at March 31, 2014	965,793	1.85	6.6	8,482
Vested or expected to vest at March 31, 2014	2,027,297	2.47	7.88	16,643

The weighted-average fair values of options granted in the years ended December 31, 2012 and 2013 and in the three-month periods ended March 31, 2013 and 2014 were $1.45, $1.85,

T2 Biosystems, Inc.
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Notes to Financial Statements (Continued)

9. Stock-Based Compensation (Continued)

$1.309 and $5.73 per share, respectively, and were calculated using the following estimated assumptions:

	Year Ended December 31,		Three Months Ended March 31,	
	2012	2013	2013	2014
Weighted-average risk-free interest rate	1.35%	1.68%	1.02%	2.04%
Expected dividend yield	0.00%	0.00%	0.00%	0.00%
Expected volatility	64%	63%	64%	62%
Expected terms	6.25 - 10 years	5.77 - 6.08 years	6.08 years	6.02 - 6.08 years

The total fair values of stock options that vested during the years ended December 31, 2012 and 2013 and during the three months ended March 31, 2013 and 2014 were $302,000, $476,000, $219,000 and $137,000, respectively, and $1,355,000 for the cumulative period from April 27, 2006 (inception) to March 31, 2014.

Restricted Stock

In May 2006, the Company authorized the sale of 1,058,820 shares of restricted common stock to its six founders for $0.017 per share, for total proceeds of $18,000, which represented the fair market value of the Company's common stock as determined by management and the board of directors on the date of issuance. The sale agreements are dated June 25, 2006. These awards of restricted common stock were made outside of the 2006 Stock Option Plan. In the event of termination of the founders' relationship with the Company, the Company has the right to repurchase any unvested shares at their original purchase price. On July 25, 2006, 264,705, or 25% of the shares, were immediately vested. The remaining 75% of the shares vested over the next 36 calendar months and the Company's right to repurchase the shares lapsed at a rate of 2.777% per calendar month.

In March 2008, the Company issued 170,057 shares of restricted stock at $0.476 per share to an executive of the Company for a total purchase price of $81,000. The shares vested over a four-year period.

At December 31, 2013, all restricted shares were vested and no longer subject to repurchase and are considered outstanding on the Company's statement of redeemable convertible preferred stock and stockholders' (deficit) equity.

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Notes to Financial Statements (Continued)

9. Stock-Based Compensation (Continued)

Stock-Based Compensation Expense

The following table summarizes the stock-based compensation expense for stock options granted and restricted stock issued to employees and nonemployees that was recorded in the Company's results of operations for the years ended December 31, 2012 and 2013, for the three months ended March 31, 2013 and 2014, and for the period from April 27, 2006 (inception) to March 31, 2014 (in thousands):

	Year Ended December 31,		Three Months Ended March 31,		Period From April 27, 2006 (Inception) to March 31, 2014
	2012	2013	2013	2014	
Research and development	$ 160	$ 169	$ 46	$ 56	$ 700
Selling, general and administrative	243	409	76	183	1,450
Total stock-based compensation expense	$ 403	$ 578	$ 122	$ 239	$ 2,150

As of December 31, 2013 and March 31, 2014, there was $2,247,000 and $2,447,000 of total unrecognized compensation cost related to non-vested stock options granted under the 2006 Stock Option Plan. Total unrecognized compensation cost will be adjusted for future changes in the estimated forfeiture rate. The Company expects to recognize that cost over a remaining weighted-average period of 3.06 years and 3.03 years as of December 31, 2013 and March 31, 2014, respectively.

10. Warrants

Below is a summary of warrants outstanding as of the dates presented:

	December 31,		March 31,
	2012	2013	2014
Warrants to purchase Series A-2 preferred stock	13,769	13,769	13,769
Warrants to purchase Series B preferred stock	187,178	187,178	187,178
Warrants to purchase Series C preferred stock	30,000	30,000	30,000
Warrants to purchase Series D preferred stock	19,780	19,780	19,780
Total warrants to purchase preferred stock	250,727	250,727	250,727

In August 2007, the Company issued warrants to purchase 13,769 shares of series A-2 preferred stock to a lender at an exercise price of $2.905 per share. At issuance, the warrants had a fair value of $2.3238 per share. The warrants were issued in connection with the Company's secured notes payable (See Note 6). The warrants are exercisable through 2017.

In September 2008, the Company issued warrants to purchase 174,530 shares of series B preferred stock at an exercise price of $3.3232 and 3,612 shares of series B preferred stock at an

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Notes to Financial Statements (Continued)

10. Warrants (Continued)

exercise price of $4.65 in connection with a development agreement (See Note 12). At issuance, the warrants for 174,530 and 3,612 shares had a fair value of $2.3219 and $2.1348 per share, respectively. The warrants for 174,530 shares become exercisable on a pro rata basis as payments are received on Phase I of the development agreement. The warrants for 3,612 shares become exercisable on a pro rata basis as payments are received on Phase II of the development agreement. The warrants are exercisable through 2015. Any unexercised warrants will expire upon an initial public offering.

In June 2009, the Company issued warrants to purchase 9,036 shares of series B preferred stock to a lender at an exercise price of $3.3232 per share. At issuance, the warrants had a fair value of $2.6695 per share. The warrants were issued in connection with the Company's loan modification agreement related to Note Agreement 1 (See Note 6). The warrants are exercisable through 2019.

In May 2011, the Company issued warrants to purchase 30,000 shares of series C preferred stock to a lender at an exercise price of $3.6608 per share. At issuance, the warrants had a fair value of $2.9273 per share. The warrants were issued in connection with the Company's promissory note agreement related to Note Agreement 2 (See Note 6). The warrants are exercisable through 2021. The warrants automatically convert into shares of common stock upon an initial public offering in accordance with a net exercise formula.

In June 2012, the Company issued warrants to purchase 19,780 shares of series D preferred stock to a lender at an exercise price of $4.55 per share. At issuance, the warrants had a fair value of $3.2451 per share. The warrants were issued in connection with the Company's promissory note agreement related to Note Agreement 3 (See Note 6). The warrants are exercisable through 2022.

No warrants have been exercised as of December 31, 2013 and March 31, 2014.

Below is a summary of the terms and accounting treatment for the warrants outstanding:

			Balance Sheet Classification		
			December 31,		
	Shares	Weighted-Average Exercise Price Per Share	2012	2013	March 31, 2014
Warrants to purchase Series A-2 preferred stock	13,769	$ 2.91	Liability	Liability	Liability
Warrants to purchase Series B preferred stock	187,178	3.76	Liability	Liability	Liability
Warrants to purchase Series C preferred stock	30,000	3.66	Liability	Liability	Liability
Warrants to purchase Series D preferred stock	19,780	4.55	Liability	Liability	Liability
	250,727				

The Company determined the fair value of the warrants to purchase redeemable convertible preferred stock based on input from management and the board of directors, which utilized an independent valuation of the Company's enterprise value, determined utilizing an analytical valuation model. Each valuation methodology includes estimates and assumptions that require the Company's judgment. These estimates and assumptions include a number of objective and subjective factors, including external market conditions affecting the *in vitro* diagnostics industry

T2 Biosystems, Inc.
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Notes to Financial Statements (Continued)

10. Warrants (Continued)

sector, the prices at which the Company sold shares of preferred stock, the superior rights and preferences of securities at the time and the likelihood of achieving a liquidity event, such as an initial public offering or a sale of the Company. Any changes in the assumptions used in the valuation could materially affect the financial results of the Company. Due to the nature of these inputs, the valuation of the warrants is considered a Level 3 measurement.

The analytical valuation model used for the years ended December 31, 2012 and 2013 and the three months ended March 31, 2014 are as follows:

	Analytical Valuation Model Used
December 31, 2012	Option Pricing Model (OPM)
December 31, 2013	Hybrid approach based on an OPM method and the Probability Weighted Expected Return Method (PWERM)
March 31, 2014	Hybrid approach based on an OPM method and the PWERM

11. Net Loss Per Share

The following table presents the calculation of basic and diluted net loss per share applicable to common stockholders (in thousands, except share and per share data):

	Year Ended December 31,		Three Months Ended March 31,		Period From April 27, 2006 (Inception) to March 31, 2014
	2012	2013	2013	2014	
Numerator:					
Net loss	$ (14,455)	$ (20,610)	$ (4,580)	$ (6,920)	$ (79,181)
Accretion of redeemable convertible preferred stock to redemption value	(4,412)	(6,908)	(1,176)	(1,906)	(21,307)
Net loss applicable to common stockholders	$ (18,867)	$ (27,518)	$ (5,756)	$ (8,826)	$ (100,488)
Denominator:					
Weighted-average number of common shares outstanding — basic and diluted	1,361,616	1,395,562	1,380,303	1,411,961	1,008,304
Net loss per share applicable to common stockholders — basic and diluted	$ (13.86)	$ (19.72)	$ (4.17)	$ (6.25)	$ (99.66)

T2 Biosystems, Inc.
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Notes to Financial Statements (Continued)

11. Net Loss Per Share (Continued)

The following shares were excluded from the calculation of diluted net loss per share applicable to common stockholders, prior to the application of the treasury stock method, because their effect would have been anti-dilutive for the periods presented:

	Year Ended December 31,		Three Months Ended March 31,		Period from April 27, 2006 (Inception) to March 31,
	2012	2013	2013	2014	2014
Redeemable convertible preferred stock	8,439,267	12,516,298	12,516,298	12,516,298	12,516,298
Options to purchase common shares	1,399,064	2,265,973	1,389,948	2,282,591	2,282,591
Warrants to purchase redeemable convertible preferred stock	147,484	147,484	147,484	147,484	147,484
Total	9,985,815	14,929,755	14,053,730	14,946,373	14,946,373

T2 Biosystems, Inc.
(A Development Stage Company)

Notes to Financial Statements (Continued)

11. Net Loss Per Share (Continued)

The following table presents the calculation of basic and diluted pro forma net loss per share applicable to common stockholders (in thousands, except share and per share data):

	Year Ended December 31, 2013 (unaudited)	Three Months Ended March 31, 2014 (unaudited)	Period from April 27, 2006 (Inception) to March 31, 2014 (unaudited)
Numerator:			
Net loss applicable to common stockholders	$ (27,518)	$ (8,826)	$ (100,488)
Accretion of redeemable convertible preferred stock to redemption value	6,908	1,906	21,307
Change in fair value of liability for warrants to purchase redeemable securities	530	(73)	346
Pro forma net loss applicable to common stockholders (unaudited)	$ (20,080)	$ (6,993)	$ (78,835)
Denominator:			
Weighted-average number of common shares used in computing net loss per share applicable to common stockholders — basic and diluted	1,395,562	1,411,961	1,008,304
Pro forma adjustment to reflect assumed conversion of redeemable convertible preferred stock to occur upon consummation of initial public offering (unaudited)	11,622,702	12,516,298	4,844,781
Pro forma adjustment to reflect assumed net exercise of warrants to purchase redeemable convertible preferred stock to occur upon consummation of initial public offering (unaudited)	93,320	93,320	58,930
Pro forma weighted-average number of common shares used in computing pro forma net loss per share applicable to common stockholders — basic and diluted (unaudited)	13,111,584	14,021,579	5,912,015
Pro forma net loss per share applicable to common stockholders — basic and diluted (unaudited)	$ (1.53)	$ (0.50)	$ (13.33)

T2 Biosystems, Inc.
(A Development Stage Company)

Notes to Financial Statements (Continued)

12. Development Agreement

In September 2008, the Company entered into a development agreement with a third party, whereby the third party: (i) invested $300,000 through the purchase of 90,274 shares of series B preferred stock, (ii) received a warrant for the purchase of up to 178,142 shares of series B preferred stock at exercise prices of $3.3232 and $4.65, and (iii) agreed to pay the Company up to $2,500,000 for the development of certain products as defined in the development agreement. The development work under the development agreement included two potential phases, with Phase 2 dependent to occur only on the election of the third party. Phase I was initiated on October 31, 2008. The Company received payments and recognized revenue of $1,450,000 related to Phase I during the year ended December 31, 2009 under the proportional performance method. During 2012, the Company received and recognized as revenue an additional $100,000 from the third party. The third party did not elect to proceed with Phase 2 of the development agreement.

The fair market value of the warrants issued in connection with the development agreement was recognized as an offset to revenue as the revenue associated with the development agreement was recognized. The value of the warrants was recorded as a deferred charge that was proportionally offset against revenue earned over the development period through 2012. The Company recognized $81,000, and $598,000 as an offset to revenue associated with these warrants for the year ended December 31, 2012 and for the period from April 27, 2006 (inception) to March 31, 2014, respectively.

13. Income Taxes

In 2012 and 2013, the Company did not record a benefit for income taxes related to its operating losses incurred since inception. In assessing the ability to realize the net deferred tax assets, management considered whether it is more likely than not that some portion or all of the net deferred tax assets will not be realized. Based upon the level of historical U.S. losses and future projections over the period in which the net deferred tax assets are deductible, management believes it is more likely than not that the Company will not realize the benefits of these deductible differences. The Company has provided a full valuation allowance against its net deferred tax assets as of December 31, 2012 and 2013. The increase in the valuation allowance from 2012 to 2013 of $9.0 million principally related to the current year taxable loss.

T2 Biosystems, Inc.
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Notes to Financial Statements (Continued)

13. Income Taxes (Continued)

The reconciliation of the U.S. federal statutory rate to the Company's effective tax rate is as follows:

	Year Ended December 31,	
	2012	2013
Tax at statutory rates	34.0%	35.0%
State income taxes	5.3	5.2
Change in tax rate	(0.2)	0.0
Permanent differences	(0.5)	(0.7)
Research and development credits	1.6	2.3
Change in valuation allowance	(40.2)	(41.8)
Effective tax rate	0.0%	0.0%

The significant components of the Company's deferred tax asset consist of the following at December 31, 2012 and 2013 (in thousands):

	December 31,	
	2012	2013
Net operating loss carryforwards	$ 14,184	$ 22,280
Tax credits	1,318	2,189
Other temporary differences	49	180
Start-up expenditures	5,449	5,318
Stock option expenses	70	179
Net deferred tax assets	21,070	30,146
Deferred tax asset valuation allowance	(21,070)	(30,146)
Net deferred tax assets	$ —	$ —

As of December 31, 2013, the Company had federal and state net operating losses of $56,036,828 and $51,405,945, respectively, which are available to offset future taxable income, if any, through 2023. The Company also had federal and state research and development tax credits of $1,738,000 and $694,000, respectively, which expire at various dates beginning in 2016 through 2023.

Under the provisions of the Internal Revenue Code, the net operating loss and tax credit carryforwards are subject to review and possible adjustment by the Internal Revenue Service and state tax authorities. Net operating loss and tax credit carryforwards may become subject to an annual limitation in the event of certain cumulative changes in the ownership interest of significant stockholders over a three-year period in excess of 50%, as defined under Sections 382 and 383 of the Internal Revenue Code, respectively, as well as similar state provisions. This could limit the amount of tax attributes that can be utilized annually to offset future taxable income or tax liabilities. The amount of the annual limitation is determined based on the value of the Company immediately prior to the ownership change. Subsequent ownership changes may further affect the limitation in

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Notes to Financial Statements (Continued)

13. Income Taxes (Continued)

future years. The Company has completed several financings since its inception which may have resulted in a change in control as defined by Sections 382 and 383 of the Internal Revenue Code, or could result in a change in control in the future. The Company has not conducted an assessment to determine whether there may have been a Section 382 or 383 ownership change.

The Company has no unrecognized tax benefits. The Company has not conducted a study of its net operating loss carryforwards or its research and development credit carryforwards. A study could result in an adjustment to the Company's research and development credit carryforwards; however, until a study is completed and any adjustment is known, no amounts will be presented as an uncertain tax position under ASC 740-10. A full valuation allowance has been provided against the Company's research and development credits and, if an adjustment is required, this adjustment would be offset by an adjustment to the valuation allowance. Thus, there would be no impact to the balance sheets or statements of operations if an adjustment were required. Interest and penalty charges, if any, related to uncertain tax positions would be classified as income tax expenses in the accompanying consolidated statements of operations. At December 31, 2012 and 2013, the Company had no accrued interest or penalties related to uncertain tax positions.

The Company files income tax returns in the U.S. federal tax jurisdiction and various state jurisdictions. Since the Company is in a loss carryforward position, the Company is generally subject to examination by the U.S. federal, state and local income tax authorities for all tax years in which a loss carryforward is available. The open tax years subject to future audit in the United States of America are for the years ended December 31, 2010 through 2012. The Company does not have any international operations through December 31, 2013.

14. Commitments and Contingencies

In August 2010, the Company entered into a five-year, noncancelable operating lease for office and laboratory space. The Company has the option to extend the lease for one additional term of two years. The lease commenced on January 1, 2011, with the Company providing a security deposit of $400,000. In accordance with the operating lease agreement, the Company reduced its security deposit by $80,000 to $320,000 on January 14, 2013.

On May 1, 2013, the Company entered into a six month operating lease for laboratory space with an option to extend the lease an additional six months. In September 2013, the Company exercised the extension.

On May 6, 2013, the Company entered into a two-year operating lease for additional office, laboratory and manufacturing space.

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Notes to Financial Statements (Continued)

14. Commitments and Contingencies (Continued)

Future minimum lease payments under the Company's three operating leases are as follows (in thousands):

Year ending December 31,	
2014	$ 649
2015	624
	$ 1,273

Rent expense for the years ended December 31, 2012 and 2013 was $558,000 and $628,000, respectively, and for the three months ended March 31, 2013 and 2014 was $140,000 and $169,000, respectively, and for the period from April 27, 2006 (inception) to March 31, 2014 was $2,122,000.

In 2006, the Company entered into a license agreement with a third party, pursuant to which the third party granted the Company an exclusive, worldwide, sublicenseable license under certain patent rights to make, use, import and commercialize products and processes for diagnostic, industrial and research and development purposes. The Company agreed to pay an annual license fee ranging from $5,000 to $25,000 for the royalty-bearing license to certain patents. For the years ended December 31, 2012 and 2013, and for the period from April 27, 2006 (inception) to December 31, 2013, the Company paid $65,000, $46,000 and $521,000, respectively, for license fees and reimbursed patent costs under the agreement. The Company also issued a total of 84,678 shares of common stock pursuant to the agreement in 2006 and 2007, which were recorded at fair value at the date of issuance. The Company is required to make payments for achievement of certain regulatory milestones with respect to products and processes covered by the agreement of up to $300,000 in the aggregate. The Company will be required to pay royalties on net sales of products and processes that are covered by patent rights licensed under the agreement at a percentage ranging in the low single digits, subject to reductions and offsets in certain circumstances, as well as a royalty on net sales of products that the Company sublicenses at a low double-digit percentage of specified gross revenue.

15. Related-Party Transactions

In June 2006, the board of directors voted to pay quarterly compensation to two of the Company's founders, who are also members of the board of directors, for their services to the Company. The annual compensation was initially $0 and automatically increased to $10,000 to $40,000 upon the achievement of certain equity financing milestones, as defined in the consulting agreement. The total compensation expense for the years ended December 31, 2012 and 2013, for the three months ended March 31, 2013 and 2014 and the period from April 27, 2006 (inception) to March 31, 2014 was $80,000, $80,000, $20,000, $20,000 and $405,000, respectively.

16. 401(k) Savings Plan

In March, 2008, the Company established a retirement savings plan under Section 401(k) of the Internal Revenue Code (the "401(k) Plan"). The 401(k) Plan covers substantially all employees of the Company who meet minimum age and service requirements, and allows participants to defer

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Notes to Financial Statements (Continued)

16. 401(k) Savings Plan (Continued)

a portion of their annual compensation on a pretax basis. Company contributions to the 401(k) Plan may be made at the discretion of the board of directors. No contributions were made in the years ended December 31, 2012 and 2013, and for the three months ended March 31, 2013 and 2014.

17. Subsequent Events

The Company has completed an evaluation of all subsequent events after the audited balance sheet date of December 31, 2013 through the date this amendment to the Registration Statement on Form S-1 was filed with the SEC, to ensure that this filing includes appropriate disclosure of events both recognized in the financial statements as of December 31, 2013 and March 31, 2014, and events which occurred subsequently but were not recognized in the financial statements. The Company has concluded that no subsequent events have occurred that require disclosure, except as described below.

(a) Increase in Authorized Shares

On July 1, 2014, the Board approved the following actions, which were approved by the stockholders on the same day:

- To amend the Company's 2006 Stock Option Plan to increase the number of shares reserved for future issuance from 2,768,758 to 3,725,224.
- To approve an amendment to the Restated Certificate of Incorporation to increase the authorized number of shares of common stock from 28,254,907 to 29,880,899.

(b) Commitments

Loan and Security Agreement

On July 11, 2014, the Company entered into a loan and security agreement ("Note Agreement 4") with two lenders to borrow up to $30,000,000 for operations. Note Agreement 4 allows the Company to borrow amounts in two tranches, up to $20,000,000 (drawn in amounts not less than $10,000,000 upon closing and the remainder drawn in amounts not less than $5,000,000 draws) by December 31, 2014 for tranche A and up to $10,000,000 by June 30, 2015 for tranche B. Borrowings under tranche B are only available to the Company if both of the following conditions are met by June 30, 2015: (a) the Company receives Section 510(k) clearance from the FDA on the Company's T2Dx and T2Candida products and (b) the Company completes a public or private stock offering, equity raise or strategic partner arrangement resulting in the receipt of at least $30,000,000 in aggregate net proceeds by the Company. The Company received proceeds of $9.8 million under tranche A, net of deferred financing costs.

The amounts borrowed under Note Agreement 4 are collateralized by substantially all of the assets of the Company and bear interest at the one-month LIBOR plus 7.05%, currently 7.20%. The Company will pay interest only payments on the amounts borrowed under the Note Agreement 4 through January 31, 2016, unless the conditions for borrowings under tranche B are met, in which case the interest only payment period extends to July 31, 2016. After the interest only period, the

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Notes to Financial Statements (Continued)

17. Subsequent Events (Continued)

Company will repay the amounts borrowed in equal monthly installments until the maturity date of July 1, 2019. Note Agreement 4 requires payment of a final fee of 4.75% of the aggregate original principal amount of amounts borrowed. In addition, amounts borrowed may be prepaid at the option of the Company in denominations of not less than $1,000,000, and any amounts prepaid are subject to a prepayment premium of 1.5% if prepaid prior to the first anniversary of the borrowing date, 1.0% if prepaid prior to the second anniversary of the borrowing date and after the first anniversary of the borrowing date, and 0.5% if prepaid prior to the maturity date and after the second anniversary of the borrowing date.

Note Agreement 4 does not include any financial covenants, but does contain a subjective acceleration clause whereby upon an event of default, which includes a material adverse change in the business, operations, or conditions (financial or otherwise) of the Company or a material impairment of the prospect of repayment of any portion of the obligations, there can be an immediate acceleration of the borrowings under Note Agreement 4.

In connection with the closing of the Note Agreement 4, the Company repaid all amounts outstanding under Note Agreement 3, totaling approximately $2,900,000, as of July 11, 2014.

Lease Amendment

On July 11, 2014, the Company entered into the Second Amendment to Lease to expand facilities at the Company's headquarters in Lexington, MA. The term of the Second Amendment to Lease ends concurrently with the original lease entered into in August 2010 (Note 14) and will increase the monthly base rent by approximately $39,000 per month through December 2015. The Company retains the option to extend the lease for one additional term of two years.

(c) Actions Related to the Proposed IPO

The Company has filed a registration statement on Form S-1 with the SEC relating to the proposed initial public offering of its common stock. The Company can give no assurance that the registration statement will be declared effective by the SEC. In connection with the Company's proposed IPO:

(i) The Company effected a 1-for-1.7 reverse stock split of its issued and outstanding common stock on July 25, 2014. All share and per share amounts related to issued and outstanding common stock and outstanding options and warrants exercisable for common stock included in these financial statements and notes to the financial statements and have been retroactively adjusted for all periods presented to reflect the reverse stock split, including reclassifying an amount equal to the reduction in par value of common stock to additional paid-in capital. The conversion ratios of the Company's preferred stock have also been adjusted to reflect the reverse stock split (see Note 8).

(ii) On July 25, 2014, the Company filed an amendment to the Certificate of Incorporation to effect the aforementioned stock split, increase the authorized number of shares of common stock from 29,880,899 to 60,000,000, eliminate anti-dilution protection for the Preferred Stock in the connection with the issuance of Common Stock as part of the IPO

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Notes to Financial Statements (Continued)

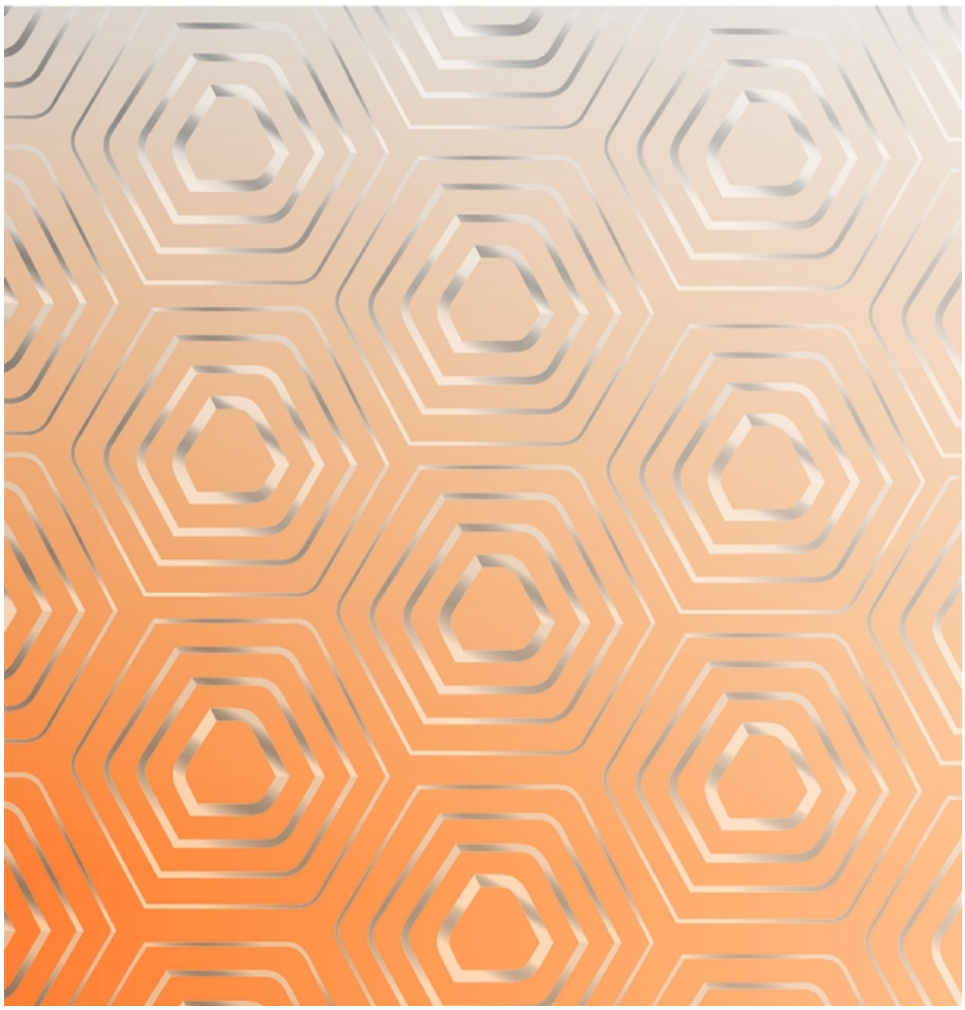
17. Subsequent Events (Continued)

and amend the mandatory conversion provision to remove the minimum price per share and minimum gross proceeds conditions in connection with the IPO.

(iii) On July 19, 2014, the Company's board of directors adopted and, on July 21, 2014, the Company's stockholders approved, the 2014 Incentive Award Plan ("2014 Plan"), which will become effective on the day prior to the public trading date of the Company's common stock. The 2014 Plan provides for the grant of incentive stock options, nonstatutory stock options, restricted stock awards, restricted stock units, stock appreciation rights and other stock-based awards. The Company's employees, officers, directors, consultants and advisors are eligible to receive awards under the 2014 Plan.

(iv) On July 19, 2014, the Company's board of directors adopted and, on July 21, 2014, the Company's stockholders approved, the 2014 Employee Stock Purchase Plan ("2014 ESPP"), which will become effective on the day prior to the public trading date of the Company's common stock. Once effective, the 2014 ESPP will enable eligible employees to purchase shares of the Company's Common Stock at a discount.

T2 Biosystems



4,000,000 Shares

Common Stock

Goldman, Sachs & Co.

Morgan Stanley

Leerink Partners

Janney Montgomery Scott

Through and including , 2014 (the 25th day after the date of this prospectus), all dealers effecting transactions in these securities, whether or not participating in this offering, may be required to deliver a prospectus. This is in addition to a dealer's obligation to deliver a prospectus when acting as an underwriter and with respect to an unsold allotment or subscription.

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 this offering described in this registration statement, other than the underwriting discount, all of which will be paid by us. All amounts are estimated except the Securities and Exchange Commission registration fee, the Financial Industry Regulatory Authority, Inc., or FINRA, filing fee and The NASDAQ Global Market fee.

	Amount
SEC Registration fee	$ 10,073
FINRA filing fee	11,730
NASDAQ Global Market initial listing fee	125,000
Accountants' fees and expenses	725,000
Legal fees and expenses	1,400,000
Blue Sky fees and expenses	5,000
Transfer Agent's fees and expenses	15,000
Printing and engraving expenses	175,000
Miscellaneous	53,197
Total expenses	$ 2,520,000

Item 14. Indemnification of Directors and Officers.

Section 102 of the General Corporation Law of the State of Delaware 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 restated certificate of incorporation provides 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 General Corporation Law of the State of Delaware prohibits the elimination or limitation of liability of directors for breaches of fiduciary duty.

Section 145 of the General Corporation Law of the State of Delaware 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.

Our restated certificate of incorporation provides that 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 restated certificate of incorporation provides 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.

We have entered into indemnification agreements with each of our directors and officers. These indemnification agreements may require us, among other things, to indemnify our directors and officers for some expenses, including attorneys' fees, judgments, fines and settlement amounts incurred by a director or officer in any action or proceeding arising out of his or her service as one of our directors or officers, or any other company or enterprise to which the person provides services at our request.

We maintain a general liability insurance policy that covers certain liabilities of directors and officers of our corporation arising out of claims based on acts or omissions in their capacities as directors or officers.

In any underwriting agreement we enter into in connection with the sale of common stock being registered hereby, the underwriters will agree to indemnify, under certain conditions, us, our directors, our officers and persons who control us within the meaning of the Securities Act of 1933, as amended, or the Securities Act, against certain liabilities.

Item 15. Recent Sales of Unregistered Securities.

Set forth below is information regarding shares of capital stock issued by us within the past three years. Also included is the consideration received by us for such shares and information

relating to the section of the Securities Act, or rule of the Securities and Exchange Commission, under which exemption from registration was claimed.

(a) Issuance of Securities.

1. In August 2011, we issued an aggregate of 5,054,945 shares of series D preferred stock to investors at a price per share of $4.55 for aggregate gross consideration of $23.0 million. These shares will automatically convert into 2,973,498 shares of our common stock upon the closing of this offering.

2. In March 2013, we issued an aggregate of 6,930,967 shares of series E preferred stock to investors at a price per share of $5.7712 for aggregate gross consideration of $40.0 million. These shares will automatically convert into 4,077,031 shares of our common stock upon the closing of this offering.

(b) Stock Option Grants. From January 1, 2011 through July 27, 2014, we granted stock options to purchase an aggregate of 2,416,840 shares of our common stock at a weighted-average exercise price of $4.25 per share, to certain of our employees, directors and consultants in connection with services provided to us by such persons. Of these, options to purchase 51,563 shares of common stock have been exercised through July 27, 2014 for aggregate consideration of $122,988, at a weighted-average exercise price of $2.39 per share.

(c) Warrants. Since May 2011, we issued one warrant to SVB and one to MDF in connection with various loan and security agreements. These warrants are immediately exercisable for the purchase of 49,780 shares of preferred stock. If none of these warrants are exercised, upon the closing of this offering, SVB's warrant for 19,780 shares of preferred stock will terminate while MDF's warrant for the purchase of 30,000 shares of preferred stock will automatically convert to common stock pursuant to a cashless net exercise.

The issuances of stock options, warrants and the shares of common stock issuable upon the exercise of the options described in this Item 15 were issued pursuant to written compensatory plans or arrangements with our employees, directors and consultants, in reliance on the exemption provided by Rule 701 promulgated under the Securities Act, or pursuant to Section 4(a)(2) under the Securities Act, relative to transactions by an issuer not involving any public offering, to the extent an exemption from such registration was required.

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

Item 16. Exhibits and Financial Statement Schedules.

(a) Exhibits.

Exhibit Number	Description of Exhibit
1.1	Form of Underwriting Agreement
3.1	Restated Certificate of Incorporation of the Registrant, as amended (currently in effect)
3.2**	Bylaws of the Registrant (currently in effect)
3.3	Form of Restated Certificate of Incorporation of the Registrant (to be effective upon the closing of this offering)
3.4	Form of Amended and Restated Bylaws of the Registrant (to be effective upon the closing of this offering)
4.1	Specimen Stock Certificate evidencing the shares of common stock
4.2	Fourth Amended and Restated Investors' Rights Agreement, dated as of March 22, 2013, as amended
5.1	Opinion of Latham & Watkins LLP
10.1#**	Amended and Restated 2006 Employee, Director and Consultant Stock Plan, as amended, and form of option agreements thereunder
10.2#	2014 Incentive Award Plan and form of option agreements thereunder
10.3#	Non-Employee Director Compensation Program
10.4	Form of Indemnification Agreement for Directors and Officers
10.5#	Employment Letter Agreement, dated as of March 14, 2008, by and between the Registrant and John McDonough, as amended
10.6#	Employment Letter Agreement, dated as of July 22, 2014, by and between the Registrant and Marc Jones
10.7#	Employment Letter Agreement, dated as of July 22, 2014, by and between the Registrant and Sarah Kalil
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10.9#	Employment Letter Agreement, dated as of July 22, 2014, by and between the Registrant and Tom Lowery, Jr.
10.10#**	Consulting Agreement, dated as of July 20, 2006, by and between the Registrant and Michael Cima, as amended on March 19, 2013
10.11#	Consulting Agreement, dated as of July 20, 2006 by and between the Registrant and Robert S. Langer, as amended on March 20, 2013 and July 24, 2014
10.12†**	Sales Agreement, dated as of February 11, 2011, by and between GE Healthcare Bio-Sciences Corp. and the Registrant
10.13†**	Exclusive License Agreement, dated as of November 7, 2006, as amended on December 2, 2008 and February 21, 2011, by and between The General Hospital Corporation d/b/a Massachusetts General Hospital and the Registrant

Exhibit Number	Description of Exhibit
10.14**	Security Agreement, dated as of May 9, 2011, by and between the Registrant and Massachusetts Development Finance Agency
10.15**	Loan and Security Agreement, dated as of August 30, 2007, as amended by the First Loan Modification Agreement on June 26, 2009 and the Second Loan Modification Agreement on June 25, 2013, by and between the Registrant and Silicon Valley Bank
10.16**	Commercial Lease, dated as of May 6, 2013, as amended on September 24, 2013, by and between the Registrant and Columbus Day Realty, Inc.
10.17**	Lease, dated as of August 6, 2010, by and between the Registrant and King 101 Hartwell LLC, as amended by the First Amendment to Lease on November 30, 2011 and the Second Amendment to Lease on July 11, 2014
10.18**	Promissory Note, dated May 9, 2011, issued by the Registrant to Massachusetts Development Finance Agency
10.19**	Loan and Security Agreement, dated as of July 11, 2014, by and among the Registrant, Solar Capital Ltd., as collateral agent, and the lenders listed on Schedule 1.1 thereof
10.20#	2014 Employee Stock Purchase Plan
23.1	Consent of Ernst & Young LLP
23.2	Consent of Latham & Watkins LLP (included in Exhibit 5.1)
24.1**	Power of Attorney

** Previously filed.

# Indicates management contract or compensatory plan.

† Portions of this exhibit (indicated by asterisks) have been omitted pursuant to a request for confidential treatment pursuant to Rule 406 under the Securities Act of 1933.

(b) Financial Statement Schedules. Schedules not listed above have been omitted because the information required to be set forth therein is not applicable or is shown in the financial statements or notes thereto.

Item 17. Undertakings.

The undersigned registrant hereby undertakes to provide to the underwriter, at the closing specified in the underwriting agreement, certificates in such denominations and registered in such names as required by the underwriter to permit prompt delivery to each purchaser.

Insofar as indemnification for liabilities arising under the Securities Act may be permitted to directors, officers and controlling persons of the registrant pursuant to the foregoing provisions, or otherwise, the registrant has been advised that in the opinion of the Securities and Exchange Commission such indemnification is against public policy as expressed in the Securities Act and is, therefore, unenforceable. In the event that a claim for indemnification against such liabilities (other than the payment by the registrant of expenses incurred or paid by a director, officer or controlling person of the registrant in the successful defense of any action, suit or proceeding) is asserted by such director, officer or controlling person in connection with the securities being registered, the registrant will, unless in the opinion of its counsel the matter has been settled by controlling precedent, submit to a court of appropriate jurisdiction the question whether such indemnification

by it is against public policy as expressed in the Securities Act and will be governed by the final adjudication of such issue.

The undersigned hereby undertakes that:

(1) For purposes of determining any liability under the Securities Act, the information omitted from the form of prospectus filed as part of this registration statement in reliance upon Rule 430A and contained in a form of prospectus filed by the registrant pursuant to Rule 424(b)(1) or (4) or 497(h) under the Securities Act shall be deemed to be part of this registration statement as of the time it was declared effective.

(2) For the purpose of determining any liability under the Securities Act, each post-effective amendment that contains a form of prospectus shall be deemed to be a new registration statement relating to the securities offered therein, and the offering of such securities at that time shall be deemed to be the initial bona fide offering thereof.

(3) For the purpose of determining liability under the Securities Act to any purchaser, each prospectus filed pursuant to Rule 424(b) as part of a registration statement relating to an offering, other than registration statements relying on Rule 430B or other than prospectuses filed in reliance on Rule 430A, shall be deemed to be part of and included in the registration statement as of the date it is first used after effectiveness. Provided, however, that no statement made in a registration statement or prospectus that is part of the registration statement or made in a document incorporated or deemed incorporated by reference into the registration statement or prospectus that is part of the registration statement will, as to a purchaser with a time of contract of sale prior to such first use, supersede or modify any statement that was made in the registration statement or prospectus that was part of the registration statement or made in any such document immediately prior to such date of first use.

(4) In a primary offering of securities of the undersigned registrant pursuant to this registration statement, regardless of the underwriting method used to sell the securities to the purchaser, if the securities are offered or sold to such purchaser by means of any of the following communications, the undersigned registrant will be a seller to the purchaser and will be considered to offer or sell such securities to such purchaser:

(i) Any preliminary prospectus or prospectus of the undersigned registrant relating to the offering required to be filed pursuant to Rule 424;

(ii) Any free writing prospectus relating to the offering prepared by or on behalf of the undersigned registrant or used or referred to by the undersigned registrant;

(iii) The portion of any other free writing prospectus relating to the offering containing material information about the undersigned registrant or its securities provided by or on behalf of the undersigned registrant; and

(iv) Any other communication that is an offer in the offering made by the undersigned registrant to the purchaser.

SIGNATURES

Pursuant to the requirements of the Securities Act, the registrant has duly caused this Amendment No. 2 to Registration Statement on Form S-1 to be signed on its behalf by the undersigned, thereunto duly authorized, in the City of Lexington, Commonwealth of Massachusetts, on this 28th day of July, 2014.

T2 BIOSYSTEMS, INC.

By: /s/ JOHN MCDONOUGH

John McDonough
President and Chief Executive Officer

SIGNATURES

Pursuant to the requirements of the Securities Act of 1933, this Amendment No. 2 to Registration Statement on Form S-1 has been signed by the following persons in the capacities held on the dates indicated.

Signature	Title	Date
/s/ JOHN MCDONOUGH John McDonough	President, Chief Executive Officer and Director (principal executive officer)	July 28, 2014
/s/ MARC R. JONES Marc R. Jones	Chief Financial Officer (principal financial and accounting officer)	July 28, 2014
* David B. Aronoff	Director	July 28, 2014
* Joshua Bilenker, M.D.	Director	July 28, 2014
* Thomas J. Carella	Director	July 28, 2014
* Michael J. Cima, Ph.D.	Director	July 28, 2014
* Alan Crane	Director	July 28, 2014
* John W. Cumming	Director	July 28, 2014
* David Elsbree	Director	July 28, 2014
* Stacy A. Feld	Director	July 28, 2014

Signature	Title	Date
*		
Robert S. Langer, Sc.D.	Director	July 28, 2014
*		
Stanley N. Lapidus	Director	July 28, 2014
*		
Harry W. Wilcox	Director	July 28, 2014

*By: /s/ JOHN MCDONOUGH

John McDonough
Attorney-in-Fact

Exhibit Index

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10.20#	2014 Employee Stock Purchase Plan
23.1	Consent of Ernst & Young LLP
23.2	Consent of Latham & Watkins LLP (included in Exhibit 5.1)
24.1**	Power of Attorney

** Previously filed.

# Indicates management contract or compensatory plan.

† Portions of this exhibit (indicated by asterisks) have been omitted pursuant to a request for confidential treatment pursuant to Rule 406 under the Securities Act of 1933.

Exhibit 1.1

T2 Biosystems, Inc.

Common Stock, par value $0.001 per share

Underwriting Agreement

[·], 2014

Goldman, Sachs & Co.
Morgan Stanley & Co. LLC
As representatives of the several Underwriters
named in Schedule I hereto

c/o Goldman, Sachs & Co.
200 West Street
New York, New York 10282

and

Morgan Stanley & Co. LLC
1585 Broadway
New York, New York 10036

Ladies and Gentlemen:

T2 Biosystems, Inc., a Delaware corporation (the "Company"), proposes, subject to the terms and conditions stated herein, to issue and sell to the Underwriters named in Schedule I hereto (the "Underwriters") an aggregate of [ ] shares (the "Firm Shares") and, at the election of the Underwriters, up to [ ] additional shares (the "Optional Shares") of Common Stock, par value $0.001 per share ("Stock") of the Company. The Firm Shares and the Optional Shares that the Underwriters elect to purchase pursuant to Section 2 hereof being collectively called the "Shares".

The Company hereby confirms its engagement of Morgan Stanley & Co. LLC ("Morgan Stanley") as, and Morgan Stanley hereby confirms its agreement with the Company to render services as, the "qualified independent underwriter" within the meaning of Rule 5121 of the Financial Industry Regulatory Authority, Inc. ("FINRA") with respect to the offering and sale of the Shares. Morgan Stanley, solely in its capacity as the qualified independent underwriter and not otherwise, is referred to herein as the "QIU." The QIU will not receive any additional compensation for its services as the QIU hereunder.

The Underwriters have agreed to reserve a portion of the Shares to be purchased by them under this Agreement for sale to the Company's directors, officers, employees and business associates and other parties related to the Company (collectively, "Participants"), as set forth in the Pricing Prospectus and the Prospectus under the heading "Underwriting (Conflict of Interest)". The sale of the Shares to the Participants is referred to hereinafter as the "Directed Share Program," and the Shares to be sold by Morgan Stanley and its affiliates pursuant to the Directed Share Program are referred to hereinafter as the "Directed Shares."

1. The Company represents and warrants to, and agrees with, each of the Underwriters that:

(a) A registration statement on Form S-1 (File No. 333-197193) (the "Initial Registration Statement") in respect of the Shares has been filed with the Securities and Exchange Commission (the "Commission"); the Initial Registration Statement and any post-effective amendment thereto, each in the form heretofore delivered to you, and, excluding exhibits thereto, to you for each of the other Underwriters, have been declared effective by the Commission in such form; other than a registration statement, if any, increasing the size of the offering (a "Rule 462(b) Registration Statement"), filed pursuant to Rule 462(b) under the Securities Act of 1933, as amended (the "Act"), which became effective upon filing, no other document with respect to the Initial Registration Statement has heretofore been filed with the Commission; and no stop order suspending the effectiveness of the Initial Registration Statement, any post-effective amendment thereto or the Rule 462(b) Registration Statement, if any, has been issued and no proceeding for that purpose has been initiated or threatened by the Commission (any preliminary prospectus included in the Initial Registration Statement or filed with the Commission pursuant to Rule 424(a) of the rules and regulations of the Commission under the Act is hereinafter called a "Preliminary Prospectus"; the various parts of the Initial Registration Statement and the Rule 462(b) Registration Statement, if any, including all exhibits thereto and including the information contained in the form of final prospectus filed with the Commission pursuant to Rule 424(b) under the Act in accordance with Section 5(a) hereof and deemed by virtue of Rule 430A under the Act to be part of the Initial Registration Statement at the time it was declared effective, each as amended at the time such part of the Initial Registration Statement became effective or such part of the Rule 462(b) Registration Statement, if any, became or hereafter becomes effective, are hereinafter collectively called the "Registration Statement"; the Preliminary Prospectus relating to the Shares that was included in the Registration Statement immediately prior to the Applicable Time (as defined in Section 1(c) hereof) is hereinafter called the "Pricing Prospectus"; such final prospectus, in the form first filed pursuant to Rule 424(b) under the Act, is hereinafter called the "Prospectus"; any "issuer free writing prospectus" as defined in Rule 433 under the Act relating

to the Shares is hereinafter called an "Issuer Free Writing Prospectus"); any oral or written communication with potential investors undertaken in reliance on Section 5(d) of the Act is hereinafter called a "Section 5(d) Communication"; and any Section 5(d) Communication that is a written communication within the meaning of Rule 405 under the Act is hereinafter called a "Section 5(d) Writing";

(b) No order preventing or suspending the use of any Preliminary Prospectus or any Issuer Free Writing Prospectus has been issued by the Commission, and each Preliminary Prospectus, at the time of filing thereof, conformed in all material respects to the requirements of the Act and the rules and regulations of the Commission thereunder, and did not contain an untrue statement of a material fact or omit to state a material fact required to be stated therein or necessary to make the statements therein, in the light of the circumstances under which they were made, not misleading; *provided, however*, that this representation and warranty shall not apply to any statements or omissions made in reliance upon and in conformity with information furnished in writing to the Company by an Underwriter through the Representatives expressly for use therein;

(c) For the purposes of this Agreement, the "Applicable Time" is [:].m. (Eastern time) on the date of this Agreement; the Pricing Prospectus, as supplemented by the information listed on Schedule II(c) hereto, taken together (collectively, the "Pricing Disclosure Package"), as of the Applicable Time, did not include any untrue statement of a material fact or omit to state any material fact necessary in order to make the statements therein, in the light of the circumstances under which they were made, not misleading; and each Issuer Free Writing Prospectus listed on Schedule II(a) hereto does not conflict with the information contained in the Registration Statement, the Pricing Prospectus or the Prospectus and each such Issuer Free Writing Prospectus and each Section 5(d) Writing listed on Schedule II(b) hereto, each as supplemented by and taken together with the Pricing Disclosure Package, as of the Applicable Time, did not include any untrue statement of a material fact or omit to state any material fact necessary in order to make the statements therein, in the light of the circumstances under which they were made, not misleading; provided, however, that this representation and warranty shall not apply to statements or omissions made in an Issuer Free Writing Prospectus or Section 5(d) Writing in reliance upon and in conformity with information furnished in writing to the Company by an Underwriter through the Representatives expressly for use therein;

(d) The Registration Statement conforms, and the Prospectus and any further amendments or supplements to the Registration Statement and the Prospectus will conform, in all material respects to the requirements of the Act and the rules and regulations of the Commission thereunder and do not and will not, as of the applicable effective date as to each part of the Registration

Statement and as of the applicable filing date as to the Prospectus and any amendment or supplement thereto, contain an untrue statement of a material fact or omit to state a material fact required to be stated therein or necessary to make the statements therein not misleading; provided, however, that this representation and warranty shall not apply to any statements or omissions made in reliance upon and in conformity with information furnished in writing to the Company by an Underwriter through the Representatives expressly for use therein;

(e) The Company has not sustained since the date of the latest audited financial statements included in the Pricing Prospectus any material loss or interference with its business from fire, explosion, flood or other calamity, whether or not covered by insurance, or from any labor dispute or court or governmental action, order or decree, otherwise than as set forth or contemplated in

the Registration Statement and the Pricing Prospectus; and, since the respective dates as of which information is given in the Registration Statement and the Pricing Prospectus, (i) there has not been any change in the capital stock or material change in the long-term debt of the Company (other than as a result of the exercise of any outstanding stock options or warrants, the award of stock options in the ordinary course of business pursuant to the Company's equity incentive plans that are described in the Pricing Prospectus, or the repurchase of shares of capital stock (subject to appropriate adjustment for stock splits, stock dividends, combinations and the like following the date of this Agreement) in connection with any early exercise of stock options by option holders from employees terminating their service to the Company), (ii) the Company has not incurred any liability or obligation, direct or contingent, other than liabilities and obligations which were incurred in the ordinary course of business, (iii) the Company has not declared or paid any dividends on its capital stock, or (iv) there has not been any material adverse change, or any development involving a prospective material adverse change, in or affecting the business, financial position, stockholders' equity (deficit) or results of operations of the Company (a "Material Adverse Effect"), otherwise than as set forth or contemplated in the Pricing Prospectus;

(f) The Company has good and marketable title to all tangible personal property owned by it, free and clear of all liens, encumbrances and defects except such as are described in the Pricing Prospectus or such as do not materially affect the value of such property and do not interfere with the use made and proposed to be made of such property by the Company. The Company does not own any real property, and any real property and buildings held under lease by the Company are held under valid, subsisting and enforceable leases (subject to the effects of (A) bankruptcy, insolvency, fraudulent conveyance, fraudulent transfer, reorganization, moratorium or other similar laws relating to or affecting the rights of creditors generally; (B) the application of general principles of equity (including, without limitation, concepts of materiality, reasonableness, good faith

and fair dealing, regardless of whether enforcement is considered in proceedings at law or in equity); and (C) applicable law and public policy with respect to rights to indemnity and contribution), except where the invalidity or unenforceability of any such lease would not materially interfere with the Company's ability to conduct its business and except where the failure to have such leasehold title could not reasonably be expected to have, individually or in the aggregate, a Material Adverse Effect;

(g) The Company (i) has been duly incorporated and is validly existing as a corporation in good standing under the laws of the state of Delaware, (ii) has power and authority (corporate and other) to own its properties and conduct its business as described in the Pricing Prospectus, and (iii) has been duly qualified as a foreign corporation for the transaction of business and is in good standing under the laws of each other jurisdiction in which it owns or leases properties or conducts any business so as to require such qualification, except, in the cases of (ii) and (iii), where the failure to have such power to authority or to be so qualified or in good standing would not, individually or in the aggregate, reasonably be expected to have a Material Adverse Effect;

(h) The Company has an authorized capitalization as set forth in the Pricing Prospectus and all of the issued shares of capital stock of the Company have been duly authorized and validly issued and are fully paid and non-assessable and conform to the description of the Stock or the preferred stock of the Company, as applicable, contained in the Pricing Disclosure Package and the Prospectus;

(i) The Shares to be issued and sold by the Company to the Underwriters have been duly authorized and, when issued and delivered against payment therefor as provided herein, will be validly issued and fully paid and non-assessable and will conform to the description of the Stock contained in the Pricing Disclosure Package and the Prospectus; and the issuance of the Shares is not subject to any preemptive, rights of first refusal or similar rights pursuant to the General Corporation Law of the State of Delaware or the Company's Certificate of Incorporation or Bylaws or any agreement or other instrument to which the Company is a party, except for such rights that have been complied with or effectively waived prior to the date hereof;

(j) The issue and sale of the Shares and the compliance by the Company with this Agreement and the consummation of the transactions herein contemplated will not (A) conflict with or result in a breach or violation of any of the terms or provisions of, or constitute a default under, any indenture, mortgage, deed of trust, loan agreement, lease or other agreement or instrument to which the Company is a party or by which the Company is bound or to which any of the property or assets of the Company is subject, (B) result in any violation of the

provisions of the Certificate of Incorporation or By-laws of the Company or (C) result in any violation of any statute or any order, rule or regulation of any court or governmental agency or body having jurisdiction over the Company or any of its properties, except, in the case of (A) and (C), as would not, individually or in the aggregate, reasonably be expected to have a Material Adverse Effect; and no consent, approval, authorization, order, registration or qualification of or with any such court or governmental agency or body is required for the issue and sale of the Shares or the consummation by the Company of the transactions contemplated by this Agreement, except for the registration under the Act of the Shares, the approval by FINRA of the underwriting terms and arrangements the approval for listing the Shares on the Nasdaq Global Market ("NASDAQ") and such consents, approvals, authorizations, orders, registrations or qualifications as may be required under state securities or Blue Sky laws in connection with the purchase and distribution of the Shares by the Underwriters, except where the failure to obtain any such consents, approvals, authorizations, orders, registrations or qualifications would not impair, in any material respect, the ability of the Company to issue and sell the Shares or to consummate the transactions contemplated by this Agreement;

(k) The Company is not in (A) violation of its Certificate of Incorporation, Bylaws or similar organizational documents or in violation of any other statute or order, rule or regulation of any court or governmental agency or body having jurisdiction over the Company or any of its properties, or (B) in default in the performance or observance of any material obligation, agreement, covenant or condition contained in any indenture, mortgage, deed of trust, loan agreement, lease or other agreement or instrument to which it is a party or by which it or any of its properties may be bound, except in the case of (B), such defaults as would not, individually or in the aggregate, reasonably be expected to have a Material Adverse Effect;

(l) The statements set forth in the Pricing Prospectus and the Prospectus under the caption "Description of Capital Stock," insofar as they purport to constitute a summary of the terms of the Stock, and under the captions "Certain Material U.S. Federal Income Tax Considerations," "Shares Eligible for Future Sale" and "Underwriting," insofar as they purport to describe the provisions of the laws and documents referred to therein, are accurate and complete;

(m) Other than as set forth in the Pricing Prospectus, there are no legal or governmental proceedings pending to which the Company is a party or of which any property of the Company is the subject which, if determined adversely to the Company, would individually or in the aggregate have a Material Adverse Effect; and, to the best of the Company's knowledge, no such proceedings are threatened or contemplated by governmental authorities or threatened by others;

(n) From the time of initial confidential submission of a registration statement relating to the Shares with the Commission (or, if earlier, the first date on which a Section 5(d) Communication was made) through the date hereof, the Company has been and is an "emerging growth company" as defined in Section 2(a)(19) of the Act (an "Emerging Growth Company");

(o) The Company has not (i) engaged in, or authorized any other person to engage in, any Section 5(d) Communications, other than Section 5(d) Communications made by, or with the prior consent of, the Representatives to entities that are qualified institutional buyers as defined in Rule 144A under the Act or institutions that are accredited investors as defined in Rule 501(a) under the Act; or (ii) distributed, or authorized any other person to distribute, any Section 5(d) Writings other than those distributed by, or with the prior consent of, the Representatives and which are listed on Schedule II(b) hereto;

(p) The Company is not and, after giving effect to the offering and sale of the Shares and the application of the proceeds thereof as described in the Pricing Disclosure Package, will not be an "investment company," as such term is defined in the Investment Company Act of 1940, as amended (the "Investment Company Act");

(q) At the time of filing the Initial Registration Statement, the Company was not and is not an "ineligible issuer," as defined under Rule 405 under the Act;

(r) Ernst & Young LLP, which has certified certain financial statements of the Company, is an independent registered public accountant as required by the Act and the rules and regulations of the Commission thereunder;

(s) The Company maintains a system of internal control over financial reporting (as such term is defined in Rule 13a-15(f) under the Securities Exchange Act of 1934, as amended (the "Exchange Act")) that complies with the requirements of the Exchange Act and has been designed by the Company's principal executive officer and principal financial officer, or under their supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles and that (i) transactions are executed in accordance with management's general or specific authorization; (ii) transactions are recorded as necessary to permit preparation of financial statements in conformity with generally accepted accounting principles and to maintain accountability for assets; (iii) access to assets is permitted only in accordance with management's general or specific authorization; and (iv) the recorded accountability for assets is compared with the existing assets at reasonable intervals and appropriate action is taken with respect to any differences. The Company's internal control over financial reporting is effective and the Company

is not aware of any material weaknesses in its internal control over financial reporting;

(t) Since the date of the latest audited financial statements included in the Pricing Prospectus, there has been no change in the Company's internal control over financial reporting that has materially affected, or is reasonably likely to materially affect, the Company's internal control over financial reporting;

(u) The Company maintains disclosure controls and procedures (as such term is defined in Rule 13a-15(e) under the Exchange Act) that comply with the requirements of the Exchange Act; such disclosure controls and procedures have been designed to ensure that material information relating to the Company is made known to the Company's principal executive officer and principal financial officer by others within those entities; and such disclosure controls and procedures are effective;

(v) Except as disclosed in the Pricing Prospectus, the Company owns its patents and patent applications, copyrights, trademarks, trademark registrations, service marks, service mark registrations, trade names, service names and know-how (including trade secrets and other unpatented and/or unpatentable proprietary or confidential information, systems or procedures) necessary for, or used in the conduct, or the proposed conduct, of the business of the Company in the manner described in the Pricing Prospectus (collectively, the "Enabling Intellectual Property"); the Company also has valid, binding and enforceable licenses to specific patents and patent applications necessary for, or used in the conduct, or the proposed conduct, of the business of the Company in the manner described in the Pricing Prospectus ("Licensed Intellectual Property"); to the knowledge of the Company, the patents, trademarks and copyrights held or licensed by the Company included within the Enabling Intellectual Property and Licensed Intellectual Property are valid, enforceable and subsisting; except as disclosed in the Pricing Prospectus, (i) the Company is not obligated to pay a material royalty, grant a license, or provide other material consideration to any third party in connection with the Enabling Intellectual Property or Licensed Intellectual Property, (ii) other than notices occasionally received in the ordinary course of business from third parties claiming infringement or inviting the party to take licenses under third-party patents, the Company has not received written notice of any claim of infringement, misappropriation or conflict with any asserted rights of others with respect to any of the Company's products, proposed products, processes or Enabling Intellectual Property, (iii) neither the commercial development nor sale of any of the products, proposed products or processes of the Company referred to in the Pricing Prospectus do, or will, to the knowledge of the Company, in the conduct of its business in the manner and to the extent described in the Pricing Prospectus, infringe any right or valid patent claim of any

third party, (iv) none of the Enabling Intellectual Property or, to the knowledge of the Company, Licensed Intellectual Property has been adjudged invalid or unenforceable in whole or in part, and there is no pending or, to the Company's knowledge, threatened action, suit, proceeding or claim by others challenging the validity or enforceability of such Enabling Intellectual Property or Licensed Intellectual Property, and (v) to the Company's knowledge, no third party has any ownership right in or to any Enabling Intellectual Property, other than any co-owner of any patent constituting Enabling Intellectual Property who is listed on the records of the U.S. Patent and Trademark Office (the "USPTO") and any co-owner of any patent application constituting Enabling Intellectual Property who is named in such patent application, and to the Company's knowledge, no third party has any ownership right in or to any Licensed Intellectual Property in any field of use that is exclusively licensed to the Company, other than any licensor to the Company of such Licensed Intellectual Property;

(w) All patents and patent applications owned by or licensed to the Company or under which the Company has rights have, to the knowledge of the Company, been duly and properly filed and maintained; to the knowledge of the Company, the parties prosecuting such applications have complied with their duty of candor and disclosure to the USPTO in connection with such applications; and the Company is not aware of any facts required to be disclosed to the USPTO that were not disclosed to the USPTO and which would preclude the grant of a patent in connection with any such application or could form the basis of a finding of invalidity with respect to any patents that have issued with respect to such applications;

(x) The clinical studies conducted by or, to the Company's knowledge, on behalf of or sponsored by the Company were, and if still pending are being, conducted in all material respects in accordance with applicable local, state and federal laws, rules and regulations, including, but not limited to, the Federal Food, Drug and Cosmetic Act and its applicable implementing regulations, and the Company has operated and currently is in compliance in all respects with all applicable rules and regulations of the U.S. Food and Drug Administration, the United States Department of Health and Human Services, the Centers for Medicare and Medicaid Services or any other governmental agency or body having jurisdiction over the Company or any of its properties, except where the failure to so comply would not, individually or in the aggregate, reasonably be expected to have a Material Adverse Effect; except as disclosed in the Pricing Prospectus, the Company has not received any notice from the governmental agency or body having jurisdiction over the Company or any of its properties requiring the termination or suspension of any studies conducted by or, to the Company's knowledge, on behalf of or sponsored by the Company;

(y) The Company has full right, power and authority to execute and deliver this Agreement and to perform its obligations hereunder; all action required to be taken for the due and proper authorization, execution and delivery by it of this Agreement and the consummation by it of the transactions contemplated hereby has been duly and validly taken; and this Agreement has been duly executed and delivered by the Company;

(z) The financial statements, including the notes thereto, included in the Registration Statement, the Pricing Prospectus and the Prospectus fairly present in all material respects the financial position at the dates indicated therein and the cash flows and results of operations for the periods indicated therein of the Company; except as otherwise stated in the Registration Statement, the Pricing Prospectus and the Prospectus, such financial statements have been prepared in conformity with GAAP applied on a consistent basis throughout the periods involved;

(aa) There are no off-balance sheet arrangements (as defined in Regulation S-K Item 303(a)(4)(ii)) that may have a material current or future effect on the Company's financial condition, changes in financial condition, results of operations, liquidity, capital expenditures or capital resources;

(bb) The Company has not sold or issued any shares of Stock during the six-month period preceding the date of the Prospectus, including any sales pursuant to Regulation D of the Securities Act, other than shares issued pursuant to employee benefit plans, stock option plans or other employee compensation plans or pursuant to outstanding options, rights or warrants;

(cc) There are no contracts, agreements or understandings between the Company and any person that would give rise to a valid claim against the Company or any Underwriter for a brokerage commission, finder's fee or other like payment in connection with this offering;

(dd) Except as described in the Pricing Prospectus and the Prospectus, there are no contracts, agreements or understandings between the Company and any person granting such person the right to require the Company to file a registration statement under the Act with respect to any securities of the Company owned or to be owned by such person or to require the Company to include such securities in the securities registered pursuant to the Registration Statement or in any securities being registered pursuant to any other registration statement filed by the Company under the Act, except for such rights that have been effectively waived;

(ee) Neither the Company, any director or officer of the Company, nor, to the knowledge of the Company, any other affiliate, employee, agent or representative of the Company or other person associated with or acting on behalf

of the Company, has or will (i) use any corporate funds for any unlawful contribution, gift, entertainment or other unlawful expense relating to political activity; (ii) make any direct or indirect unlawful payment to any foreign or domestic government official or employee from corporate funds; (iii) violate or is in violation of any provision of the Foreign Corrupt Practices Act of 1977; (iv) violate or is in violation of any provision of the Bribery Act 2010 of the United Kingdom; or (v) make any bribe, rebate, payoff, influence payment, kickback or other unlawful payment; the Company has, and to the knowledge of the Company its affiliates have, conducted their respective businesses in compliance with applicable anti-corruption laws and will institute and maintain policies and procedures designed to promote and achieve compliance with such laws;

(ff) The operations of the Company are and have been conducted at all times in compliance with all applicable financial recordkeeping and reporting requirements, including those of the Bank Secrecy Act, as amended by Title III of the Uniting and Strengthening America by Providing Appropriate Tools Required to Intercept and Obstruct Terrorism Act of 2001 (USA PATRIOT Act), and the applicable anti-money laundering statutes of jurisdictions where the Company conducts business, the rules and regulations thereunder and any related or similar rules, regulations or guidelines, issued, administered or enforced by any governmental agency (collectively, the "Anti-Money Laundering Laws"), and no action, suit or proceeding by or before any court or governmental agency, authority or body or any arbitrator involving the Company with respect to the Anti-Money Laundering Laws is pending or, to the knowledge of the Company, threatened;

(gg) Neither the Company nor any director or officer of the Company, nor, to the Company's knowledge, any affiliate, agent or representative of the Company, is an individual or entity ("Person") that is, or is owned or controlled by a Person that is the subject or target of any sanctions administered or enforced by the U.S. Department of the Treasury's Office of Foreign Assets Control ("OFAC"), the United Nations Security Council, the European Union, Her Majesty's Treasury or other sanctioning authority having jurisdiction over such Person (collectively, "Sanctions"), nor located, organized or resident in a country or territory that is the subject of Sanctions (including, without limitation, Burma/Myanmar, Cuba, Iran, Libya, North Korea, Sudan and Syria);

(hh) The Company will not, directly or indirectly, use the proceeds of the offering, or lend, contribute or otherwise make available such proceeds to any subsidiary, joint venture partner or other Person: to fund or facilitate any activities or business of or with any Person or in any country or territory that, at the time of such funding or facilitation, is the subject of Sanctions; or in any other manner that will result in a violation of Sanctions by any Person (including any

Person participating in the offering, whether as underwriter, advisor, investor or otherwise);

(ii) For the past five years, the Company has not knowingly engaged in, are not now knowingly engaged in, and will not engage in, any dealings or transactions with any Person, or in any country or territory, that at the time of the dealing or transaction is or was the subject of Sanctions;

(jj) The Company has not and, to its knowledge, no one acting on its behalf has, (i) taken and will not take, directly or indirectly, any action which is designed to or which has constituted or which would reasonably be expected to cause or result in stabilization or manipulation of the price of any security of the Company to facilitate the sale or resale of the Shares, (ii) sold, bid for, purchased, or paid anyone any compensation for soliciting purchases of, the Shares, or (iii) paid or agreed to pay to any person any compensation for soliciting another to purchase any other securities of the Company other than as contemplated in this Agreement; provided, however, that the Company makes no such representation or warranty with respect to the actions of any Underwriter or affiliate or agent of any Underwriter acting on behalf of such Underwriter.

(kk) (A) The Company is not in violation of any applicable statute, law, rule, regulation, ordinance, code, rule of common law or order of or with any governmental agency or body or any court, domestic or foreign, relating to the use, management, disposal or release of hazardous or toxic substances or wastes or relating to pollution or the protection of the environment or human health or relating to exposure to hazardous or toxic substances or wastes (collectively, "Environmental Laws"), which violation would reasonably be expected to result in a material liability of the Company, (B) the Company has not received any written claim, written request for information or written notice of liability or investigation arising under, relating to or based upon any Environmental Laws, (C) the Company is not aware of any pending or threatened notice, claim, proceeding or investigation which might lead to material liability under Environmental Laws, (D) the Company does not anticipate incurring material capital expenditures relating to compliance with Environmental Laws (including, without limitation, any capital or operating expenditures required for clean-up, investigation or closure of properties or compliance with Environmental Laws or any permit, license, approval, any related constraints on operating activities and any potential liabilities to third parties) and (E) the Company has not been named as a "potentially responsible party" under the Comprehensive Environmental Response, Compensation, and Liability Act of 1980, as amended;

(ll) The Registration Statement, the Pricing Prospectus and the Prospectus comply, and any amendments or supplements thereto will comply, with any applicable laws or regulations of foreign jurisdictions in which the Pricing

Prospectus or the Prospectus, as amended or supplemented, if applicable, are distributed in connection with the Directed Share Program;

(mm) No consent, approval, authorization or order of, or qualification with, any governmental body or agency, other than those obtained, is required in connection with the offering of the Directed Shares in any jurisdiction where the Directed Shares are being offered;

(nn) The Company has not offered, or caused Morgan Stanley or any Morgan Stanley Entity (as defined in Section 10) to offer, Shares to any person pursuant to the Directed Share Program with the specific intent to unlawfully influence (i) a customer or supplier of the Company to alter the customer's or supplier's level or type of business with the Company or (ii) a trade journalist or publication to write or publish favorable information about the Company or its products;

(oo) The Company has filed all material foreign, federal, state and local tax returns required to be filed by them through the date hereof, except for tax returns with respect to state sales taxes disclosed in the Pricing Prospectus, or have duly requested extensions thereof, and have paid all taxes shown as due thereon, except for taxes with respect to state sales taxes disclosed in the Pricing Prospectus, which do not individually or in the aggregate, have a Material Adverse Effect, and all such tax returns are true and correct in all material respects; no deficiencies for taxes of the Company have been assessed by a tax authority, except with respect to state sales taxes disclosed in the Pricing Prospectus, and no deficiencies for taxes of the Company have, to the Company's knowledge, been proposed by a tax authority;

(pp) The Company is insured by insurers of recognized financial responsibility against such losses and risks and in such amounts as are, in the Company's reasonable judgment, commercially reasonable for the conduct of its business; the Company is in compliance with the terms of such policies and instruments, except as would not, individually or in the aggregate, reasonably be expected to have a Material Adverse Effect; there are no material claims by the Company under any such policy or instrument as to which any insurance company is denying liability or defending under a reservation of rights clause; and the Company has no reason to believe that it will not be able to renew its existing insurance coverage as and when such coverage expires or to obtain similar coverage from similar insurers as may be necessary to continue its business;

(qq) There are no relationships, direct or indirect, or related-party transactions involving the Company or any other person required to be described in the Registration Statement, Pricing Prospectus and the Prospectus which have not been described in such documents and the Pricing Disclosure Package as required;

(rr) (i) Except as would not, individually or in the aggregate, reasonably be expected to have a Material Adverse Effect, (i) no labor dispute with or disturbance by the employees of the Company exists or, to the Company's knowledge, is threatened, and (ii) the Company has not received written notice of any existing, threatened or imminent labor disturbance by the employees of any of its principal suppliers, manufacturers or contractors;

(ss) The statistical and market-related data included in the Pricing Prospectus and the Prospectus are based on or derived from sources that the Company believes are reliable and accurate in all material respects;

(tt) Except as would not, individually or in the aggregate, reasonably be expected to have a Material Adverse Effect (i) each "employee benefit plan" (within the meaning of Section 3(3) of the Employee Retirement Income Security Act of 1974, as amended, including the regulations and published interpretations thereunder ("ERISA")) for which the Company has any liability (each a "Plan") is in compliance with all presently applicable statutes, rules and regulations, including ERISA and the Internal Revenue Code of 1986, as amended (the "Code"); (ii) with respect to each Plan subject to Title IV of ERISA (a) no "reportable event" (as defined in Section 4043 of ERISA) has occurred for which the Company has or reasonably expects to have any liability and (b) the Company has not incurred and does not reasonably expect to incur liability under Title IV of ERISA (other than for contributions to the Plan or premiums payable to the Pension Benefit Guaranty Corporation, in each case in the ordinary course); and (iii) each Plan that is intended to be qualified under Section 401(a) of the Code is so qualified and nothing has occurred, whether by action or by failure to act, which would cause the loss of such qualification; and

(uu) The Company has no subsidiaries.

2. Subject to the terms and conditions herein set forth, (a) the Company agrees to issue and sell to each of the Underwriters, and each of the Underwriters agrees, severally and not jointly, to purchase from the Company, at a purchase price per share of $[ ], the number of Firm Shares set forth opposite the name of such Underwriter in Schedule I hereto and (b) in the event and to the extent that the Underwriters shall exercise the election to purchase Optional Shares as provided below, the Company agrees to issue and sell to each of the Underwriters, and each of the Underwriters agrees, severally and not jointly, to purchase from the Company, at the purchase price per share set forth in clause (a) of this Section 2, that portion of the number of Optional Shares as to which such election shall have been exercised (to be adjusted by you so as to eliminate fractional shares) determined by multiplying such number of Optional Shares by a fraction, the numerator of which is the maximum number of Optional Shares which such Underwriter is entitled to purchase as set forth opposite the

name of such Underwriter in Schedule I hereto and the denominator of which is the maximum number of Optional Shares that all of the Underwriters are entitled to purchase hereunder.

The Company hereby grants to the Underwriters the right to purchase at their election up to [ ] Optional Shares, at the purchase price per share set forth in the paragraph above for the sole purpose of covering sales of shares in excess of the number of Firm Securities, provided that the purchase price per Optional Share shall be reduced by an amount per share equal to any dividends or distributions declared by the Company and payable on the Firm Shares but not payable on the Optional Shares. Any such election to purchase Optional Shares may be exercised only by written notice from the Representatives to the Company, given within a period of 30 calendar days after the date of this Agreement, setting forth the aggregate number of Optional Shares to be purchased and the date on

which such Optional Shares are to be delivered, as determined by you but in no event earlier than the First Time of Delivery (as defined in Section 4 hereof) or, unless you and the Company otherwise agree in writing, earlier than two or later than ten business days after the date of such notice.

3. Upon the authorization by you of the release of the Firm Shares, the several Underwriters propose to offer the Firm Shares for sale upon the terms and conditions set forth in the Prospectus.

4. (a) The Shares to be purchased by each Underwriter hereunder, in electronic form, and in such authorized denominations and registered in such names as the Representatives may request upon at least forty-eight hours' prior notice to the Company shall be delivered by or on behalf of the Company to the Representatives through the facilities of the Depository Trust Company ("DTC"), for the account of such Underwriter, against payment by or on behalf of such Underwriter of the purchase price therefor by wire transfer of Federal (same-day) funds to the account specified by the Company to the Representatives at least forty-eight hours in advance. The time and date of such delivery and payment shall be, with respect to the Firm Shares, 9:30 a.m., New York City time, on [ ], 2014 or such other time and date as the Representatives and the Company may agree upon in writing, and, with respect to the Optional Shares, 9:30 a.m., New York City time, on the date specified by the Representatives in each written notice given by the Representatives of the Underwriters' election to purchase such Optional Shares, or such other time and date as the Representatives and the Company may agree upon in writing. Such time and date for delivery of the Firm Shares is herein called the "First Time of Delivery", each such time and date for delivery of the Optional Shares, if not the First Time of Delivery, is herein called the "Second Time of Delivery", and each such time and date for delivery is herein called a "Time of Delivery".

(b) The documents to be delivered at each Time of Delivery by or on behalf of the parties hereto pursuant to Section 8 hereof, including the cross receipt for the Shares and any additional documents requested by the Underwriters pursuant to Section 8(m) hereof will be delivered at the offices of Cooley LLP, One Freedom Square, Reston Town Center, 11951 Freedom Drive, Reston, VA 20190 (the "Closing Location"), and the Shares will be delivered at the Designated Office, all at such Time of Delivery. A meeting will be held at the Closing Location at [ ] [a.m./p.m.], New York City time, on the New York Business Day next preceding such Time of Delivery, at which meeting the final drafts of the documents to be delivered pursuant to the preceding sentence will be available for review by the parties hereto. For the purposes of this Section 4, "New York Business Day" shall mean each Monday, Tuesday, Wednesday, Thursday and Friday which is not a day on which banking institutions in New York City are generally authorized or obligated by law or executive order to close.

5. The Company agrees with each of the Underwriters:

(a) To prepare the Prospectus in a form approved by you and to file such Prospectus pursuant to Rule 424(b) under the Act not later than the Commission's close of business on the second business day following the execution and delivery of this Agreement, or, if applicable, such earlier time as may be required by Rule 430A(a)(3) under the Act; to make no further amendment or any supplement to the Registration Statement or the Prospectus prior to the last Time of Delivery which shall be disapproved by you promptly after reasonable notice thereof; to advise you, promptly after it receives notice thereof, of the time when any amendment to the Registration Statement has been filed or becomes effective or any amendment or supplement to the Prospectus has been filed and to furnish you with copies thereof; to file promptly all material required to be filed by the Company with the Commission pursuant to Rule 433(d) under the Act; to advise you, promptly after it receives notice thereof, of the issuance by the Commission of any stop order or of any order preventing or suspending the use of any Preliminary Prospectus or other prospectus in respect of the Shares, of the suspension of the qualification of the Shares for offering or sale in any jurisdiction, of the initiation or threatening of any proceeding for any such purpose, or of any request by the Commission for the amending or supplementing of the Registration Statement or the Prospectus or for additional information; and, in the event of the issuance of any stop order or of any order preventing or suspending the use of any Preliminary Prospectus or other prospectus or suspending any such qualification, to promptly use its best efforts to obtain the withdrawal of such order;

(b) Promptly from time to time to take such action as you may reasonably request to qualify the Shares for offering and sale under the securities laws of such jurisdictions as you may request and to comply with such laws so as to permit the continuance of sales and dealings therein in such jurisdictions for as

long as may be necessary to complete the distribution of the Shares, provided that in connection therewith the Company shall not be required to qualify as a foreign corporation or to file a general consent to service of process in any jurisdiction;

(c) Prior to 10:00 a.m., New York City time, on the New York Business Day next succeeding the date of this Agreement and from time to time, to furnish the Underwriters with written and electronic copies of the Prospectus in New York City in such quantities as you may reasonably request, and, if the delivery of a prospectus (or in lieu thereof, the notice referred to in Rule 173(a) under the Act) is required at any time prior to the expiration of nine months after the time of issue of the Prospectus in connection with the offering or sale of the Shares and if at such time any event shall have occurred as a result of which the Prospectus as then amended or supplemented would include an untrue statement of a material fact or omit to state any material fact necessary in order to make the statements therein, in the light of the circumstances under which they were made when such Prospectus (or in lieu thereof, the notice referred to in Rule 173(a) under the Act) is delivered, not misleading, or, if for any other reason it shall be necessary during such same period to amend or supplement the Prospectus in order to comply with the Act, to notify you and upon your request to prepare and furnish without charge to each Underwriter and to any dealer in securities as many written and electronic copies as you may from time to time reasonably request of an amended Prospectus or a supplement to the Prospectus which will correct such statement or omission or effect such compliance; and in case any Underwriter is required to deliver a prospectus (or in lieu thereof, the notice referred to in Rule 173(a) under the Act) in connection with sales of any of the Shares at any time nine months or more after the time of issue of the Prospectus, upon your request but at the expense of such Underwriter, to prepare and deliver to such Underwriter as many written and electronic copies as you may request of an amended or supplemented Prospectus complying with Section 10(a)(3) of the Act;

(d) To make generally available to its securityholders as soon as practicable, but in any event not later than sixteen months after the effective date of the Registration Statement (as defined in Rule 158(c) under the Act), an earnings statement of the Company (and, if applicable, any subsidiaries) (which need not be audited) complying with Section 11(a) of the Act and the rules and regulations of the Commission thereunder (including, at the option of the Company, Rule 158);

(e) (1) During the period beginning from the date hereof and continuing to and including the date 180 days after the date of the Prospectus (the "Lock-Up Period"), not to (i) offer, sell, contract to sell, pledge, grant any option to purchase, make any short sale or otherwise transfer or dispose of, directly or

indirectly, or file with the Commission a registration statement under the Act relating to, any securities of the Company that are substantially similar to the Shares, including but not limited to any options or warrants to purchase shares of Stock or any securities that are convertible into or exchangeable for, or that represent the right to receive, Stock or any such substantially similar securities, or publicly disclose the intention to make any offer, sale, pledge, disposition or filing or (ii) enter into any swap or other agreement that transfers, in whole or in part, any of the economic consequences of ownership of the Stock or any such other securities, whether any such transaction described in clause (i) or (ii) above is to be settled by delivery of Stock or such other securities, in cash or otherwise, without the prior written consent of the Representatives. The foregoing restrictions shall not apply to (A) the Shares to be sold hereunder, (B) grants of awards pursuant to equity incentive plans existing on the date of this Agreement and disclosed in the Pricing Prospectus, (C) issuances of Stock pursuant to the exercise of awards granted pursuant to clause (B), (D) issuances of Stock pursuant to the conversion or exchange of convertible or exchangeable securities, including preferred stock and warrants, outstanding on the date of this Agreement and described in the Pricing Prospectus, (E) the filing of any registration statement on Form S-8 relating to any benefit plans or arrangements disclosed in the Pricing Prospectus or the Prospectus and the issuance of securities registered pursuant thereto, (F) issuances of securities under the Company's employee stock purchase plan described in the Pricing Prospectus and (G) issuances of Stock or securities exercisable for, convertible into or exchangeable for Stock in connection with any acquisition, collaboration, licensing or other joint venture or strategic transaction or any debt financing transaction involving the Company; *provided* that, in the case of clause (G), (x) such issuances shall not in the aggregate be greater than 5% of the total outstanding shares of common stock of the Company immediately following the completion of this offering of Shares, and (y) the recipients of such Stock agree to be bound by a lockup letter in the form executed by directors and officers pursuant to Section 8(k) hereof;

(2) If the Representatives, in their sole discretion, agree to release or waive the restrictions set forth in a lock-up letter described in Section 8(k) hereof for an officer or director of the Company and provides the Company with notice of the impending release or waiver at least three business days before the effective date of the release or waiver, the Company agrees to announce the impending release or waiver by a press release substantially in the form of Annex V hereto through a major news service at least two business days before the effective date of the release or waiver.

(f) To furnish to its stockholders as soon as practicable after the end of each fiscal year an annual report (including a balance sheet and statements of income, stockholders' equity and cash flows of the Company and, if applicable, its subsidiaries, certified by independent public accountants) and, as

soon as practicable after the end of each of the first three quarters of each fiscal year (beginning with the fiscal quarter ending after the effective date of the Registration Statement), to make available to its stockholders summary financial information of the Company and, if applicable, its subsidiaries, for such quarter in reasonable detail; *provided that* any report, communication or financial statement

furnished or filed with the Commission that is publicly available on the Commission's EDGAR system shall be deemed to have been furnished to you at the time furnished or filed with the Commission;

(g) During a period of three years from the effective date of the Registration Statement, to furnish to you copies of all reports or other communications (financial or other) furnished to stockholders, and to deliver to you as soon as they are available, copies of any current, periodic or annual reports or financial statements furnished to or filed with the Commission or any national securities exchange on which any class of securities of the Company is listed; *provided that* any report, communication or financial statement furnished or filed with the Commission that is publicly available on the Commission's EDGAR system shall be deemed to have been furnished to you at the time furnished or filed with the Commission;

(h) To use the net proceeds received by it from the sale of the Shares pursuant to this Agreement in the manner specified in the Pricing Prospectus under the caption "Use of Proceeds";

(i) To use its best efforts to list for trading, subject to official notice of issuance, the Shares on NASDAQ;

(j) To file with the Commission such information on Form 10-Q or Form 10-K as may be required by Rule 463 under the Act;

(k) If the Company elects to rely upon Rule 462(b), the Company shall file a Rule 462(b) Registration Statement with the Commission in compliance with Rule 462(b) by 10:00 P.M., Washington, D.C. time, on the date of this Agreement, and the Company shall at the time of filing either pay to the Commission the filing fee for the Rule 462(b) Registration Statement or give irrevocable instructions for the payment of such fee pursuant to Rule 111(b) under the Act;

(l) Upon request of any Underwriter, to furnish, or cause to be furnished, to such Underwriter an electronic version of the Company's trademarks, servicemarks and corporate logo for use on the website, if any, operated by such Underwriter for the purpose of facilitating the online offering of the Shares (the "License"); provided, however, that the License shall be used solely for the purpose described above, is granted without any fee and may not be assigned or transferred;

(m) To comply with all applicable securities and other laws, rules and regulations in each jurisdiction in which the Directed Shares are offered in connection with the Directed Share Program; and

(n) To promptly notify you if the Company ceases to be an Emerging Growth Company at any time prior to the later of (i) completion of the distribution of the Shares within the meaning of the Act and (ii) completion of the Lock-Up Period referred to in Section 5(e) hereof.

6. (a) The Company represents and agrees that, without the prior consent of the Representatives, it has not made and will not make any offer relating to the Shares that would constitute a "free writing prospectus" as defined in Rule 405 under the Act; each Underwriter represents and agrees that, without the prior consent of the Company and the Representatives, it has not made and will not make any offer relating to the Shares that would constitute a free writing prospectus; any such free writing prospectus the use of which has been consented to by the Company and the Representatives is listed on Schedule II(a) hereto;

(b) The Company has complied and will comply with the requirements of Rule 433 under the Act applicable to any Issuer Free Writing Prospectus, including timely filing with the Commission or retention where required and legending; and the Company represents that it has satisfied and agrees that it will satisfy the conditions under Rule 433 under the Act to avoid a requirement to file with the Commission any electronic road show;

(c) The Company agrees that if at any time following issuance of an Issuer Free Writing Prospectus or Section 5(d) Writing any event occurred or occurs as a result of which such Issuer Free Writing Prospectus or Section 5(d) Writing would conflict with the information in the Registration Statement, the Pricing Prospectus or the Prospectus or would include an untrue statement of a material fact or omit to state any material fact necessary in order to make the statements therein, in the light of the circumstances then prevailing, not misleading, the Company will give prompt notice thereof to the Representatives and, if requested by the Representatives, will prepare and furnish without charge to each Underwriter an Issuer Free Writing Prospectus, Section 5(d) Writing or other document which will correct such conflict, statement or omission; provided, however, that this representation and warranty shall not apply to any statements or omissions in an Issuer Free Writing Prospectus made in reliance upon and in conformity with information furnished in writing to the Company by an Underwriter through the Representatives expressly for use therein.

7. The Company covenants and agrees with the several Underwriters that the Company will pay or cause to be paid the following: (i) the fees, disbursements and expenses of the Company's counsel and accountants in

connection with the registration of the Shares under the Act and all other expenses in connection with the preparation, printing, reproduction and filing of the Registration Statement, any Preliminary Prospectus, any Issuer Free Writing Prospectus and the Prospectus and amendments and supplements thereto and the mailing and delivering of copies thereof to the Underwriters and dealers; (ii) the cost of printing or producing any Agreement among Underwriters, this Agreement, the Blue Sky Memorandum, closing documents (including any compilations thereof) and any other documents in connection with the offering, purchase, sale and delivery of the Shares; (iii) all expenses in connection with the qualification of the Shares for offering and sale under state securities laws as provided in Section 5(b) hereof, including the fees and disbursements of counsel for the Underwriters in connection with such qualification and in connection with the Blue Sky survey (iv) all fees and expenses in connection with listing the Shares on NASDAQ; (v) the filing fees incident to, and the fees and disbursements of counsel for the Underwriters, in an amount not to exceed, together with the fees and disbursements of counsel described in clauses (iii) and (ix), $30,000 in connection with, any required review by FINRA of the terms of the sale of the Shares; (vi) the cost of preparing stock certificates, if applicable; (vii) the cost and charges of any transfer agent or registrar; (viii) the costs and expenses of the Company relating to investor presentations on any "road show" undertaken in connection with the marketing of the Shares, including without limitation, expenses associated with the production of road show slides and graphics, fees and expenses of any consultants engaged in connection with the road show presentations, travel and lodging expenses of the representatives and officers of the Company and any such consultants (provided, however, that the Underwriters and the Company shall each pay 50% of the cost of any aircraft chartered in connection with any road show meetings); (ix) all fees and disbursements of counsel incurred by the Underwriters in connection with the Directed Share Program and stamp duties, similar taxes or duties or other taxes, if any, incurred by the Underwriters in connection with the Directed Share Program; and (x) all other costs and expenses incident to the performance of its obligations hereunder which are not otherwise specifically provided for in this Section. It is understood, however, that, except as provided in this Section, and Sections 9, 10 and 13 hereof, the Underwriters will pay all of their own costs and expenses, including the fees of their counsel, stock transfer taxes on resale of any of the Shares by them, and any advertising expenses connected with any offers they may make.

8. The obligations of the Underwriters hereunder, as to the Shares to be delivered at each Time of Delivery, shall be subject, in their discretion, to the condition that all representations and warranties and other statements of the Company herein are, at and as of such Time of Delivery, true and correct, the condition that the Company shall have performed all of its obligations hereunder theretofore to be performed, and the following additional conditions:

(a) The Prospectus shall have been filed with the Commission pursuant to Rule 424(b) under the Act within the applicable time period prescribed for such filing by the rules and regulations under the Act and in accordance with Section 5(a) hereof; all material required to be filed by the Company pursuant to Rule 433(d) under the Act shall have been filed with the Commission within the applicable time period prescribed for such filing by Rule 433; if the Company has elected to rely upon Rule 462(b) under the Act, the Rule 462(b) Registration Statement shall have become effective by 10:00 P.M., Washington, D.C. time, on the date of this Agreement; no stop order suspending the effectiveness of the Registration Statement or any part thereof shall have been issued and no proceeding for that purpose shall have been initiated or threatened by the Commission; no stop order suspending or preventing the use of the Prospectus or any Issuer Free Writing Prospectus shall have been initiated or threatened by the Commission; and all requests for additional information on the part of the Commission shall have been complied with to your reasonable satisfaction;

(b) Cooley LLP, counsel for the Underwriters, shall have furnished to you such written opinion or opinions, dated such Time of Delivery, in form and substance satisfactory to the Representatives;

(c) Latham & Watkins LLP, counsel for the Company, shall have furnished to you their written opinion, dated such Time of Delivery, in form and substance satisfactory to the Representatives;

(d) Clark & Elbing LLP, special counsel for the Company with respect to intellectual property matters, shall have furnished to you their written opinion, dated such Time of Delivery, in form and substance satisfactory to the Representatives;

(e) Hogan Lovells LLP, special counsel for the Company with respect to certain regulatory matters, shall have furnished to you their written opinion, dated such Time of Delivery, in form and substance satisfactory to the Representatives;

(f) On the date of the Prospectus at a time prior to the execution of this Agreement, at 9:30 a.m., New York City time, on the effective date of any post-effective amendment to the Registration Statement filed subsequent to the date of this Agreement and also at each Time of Delivery, Ernst & Young LLP shall have furnished to you a letter or letters, dated the respective dates of delivery thereof, in form and substance satisfactory to you, to the effect set forth in

Annex I hereto (the executed copy of the letter delivered prior to the execution of this Agreement is attached as Annex I(a) hereto and a draft of the form of letter to be delivered on the effective date of any post-effective amendment to the Registration Statement and as of each Time of Delivery is attached as Annex I(b) hereto);

(g) (i) The Company shall not have sustained since the date of the latest audited financial statements included in the Pricing Prospectus any loss or interference with its business from fire, explosion, flood or other calamity, whether or not covered by insurance, or from any labor dispute or court or governmental action, order or decree, otherwise than as set forth or contemplated in the Pricing Prospectus, and (ii) since the respective dates as of which information is given in the Pricing Prospectus there shall not have been any change in the capital stock or long-term debt of the Company or any change, or any development involving a prospective change, in or affecting the business, financial position, stockholders' equity (deficit) or results of operations of the Company, otherwise than as set forth or contemplated in the Pricing Prospectus, the effect of which, in any such case described in clause (i) or (ii), is in your judgment so material and adverse as to make it impracticable or inadvisable to proceed with the public offering or the delivery of the Shares being delivered at such Time of Delivery on the terms and in the manner contemplated in the Pricing Prospectus;

(h) On or after the Applicable Time there shall not have occurred any of the following: (i) a suspension or material limitation in trading in securities generally on the New York Stock Exchange or on NASDAQ; (ii) a suspension or material limitation in trading in the Company's securities on NASDAQ; (iii) a general moratorium on commercial banking activities declared by either Federal or New York or Delaware State authorities or a material disruption in commercial banking or securities settlement or clearance services in the United States; (iv) the outbreak or escalation of hostilities involving the United States or the declaration by the United States of a national emergency or war or (v) the occurrence of any other calamity or crisis or any change in financial, political or economic conditions in the United States or elsewhere, if the effect of any such event specified in clause (iv) or (v) in your judgment makes it impracticable or inadvisable to proceed with the public offering or the delivery of the Shares being delivered at such Time of Delivery on the terms and in the manner contemplated in the Pricing Prospectus;

(i) Subsequent to the earlier of (A) the Applicable Time and (B) the execution and delivery of this Agreement, if there are any debt securities or preferred stock of or guaranteed by the Company that are rated by a "nationally recognized statistical rating organization", as such term is defined by the Commission for purposes of Rule 436(g)(2) under the Act, (i) no downgrading shall have occurred in the rating accorded any such debt securities or preferred stock and (ii) no such organization shall have publicly announced that it has under surveillance or review, or has changed its outlook with respect to, its rating of any such debt securities or preferred stock (other than an announcement with positive implications of a possible upgrading);

(j) The Shares to be sold at such Time of Delivery shall have been duly listed for quotation, subject to notice of issuance, on NASDAQ;

(k) The Company shall have obtained and delivered to the Underwriters executed copies of an agreement from each director, officer and certain other holders of the Company's securities as you may require, substantially to the effect set forth in Annex VI hereto in form and substance satisfactory to you;

(l) The Company shall have complied with the provisions of Section 5(c) hereof with respect to the furnishing of prospectuses on the New York Business Day next succeeding the date of this Agreement; and

(m) The Company shall have furnished or caused to be furnished to you at such Time of Delivery certificates of officers of the Company satisfactory to you as to the accuracy of the representations and warranties of the Company herein at and as of such Time of Delivery, as to the performance by the Company of all of its obligations hereunder to be performed at or prior to such Time of Delivery, as to the matters set forth in subsections (a) and (g) of this Section and as to such other matters as you may reasonably request.

9. (a) The Company agrees to indemnify and hold harmless each Underwriter, its affiliates, directors and officers and each person, if any, who controls such Underwriter within the meaning of Section 15 of the Securities Act or Section 20 of the Exchange Act, from and against any and all losses, claims, damages or liabilities (including, without limitation, legal fees and other expenses reasonably incurred in connection with any suit, action, investigation or proceeding or any claim asserted, as such fees and expenses are incurred), joint

or several, that arise out of, or are based upon, (i) any untrue statement or alleged untrue statement of a material fact contained in the Registration Statement or caused by any omission or alleged omission to state therein a material fact required to be stated therein or necessary in order to make the statements therein, not misleading, or (ii) any untrue statement or alleged untrue statement of a material fact contained in the Prospectus (or any amendment or supplement thereto), any Issuer Free Writing Prospectus, any "issuer information" filed or required to be filed pursuant to Rule 433(d) under the Act, any Pricing Disclosure Package (including any Pricing Disclosure Package that has subsequently been amended), any Section 5(d) Writing, or caused by any omission or alleged omission to state therein a material fact necessary in order to make the statements therein, in light of the circumstances under which they were made, not misleading, in each case except insofar as such losses, claims, damages or liabilities arise out of, or are based upon, any untrue statement or omission or alleged untrue statement or omission made in reliance upon and in conformity with any information furnished to the Company in writing by any Underwriter through the Representatives expressly for use therein, it being understood and agreed that the only such information furnished by any Underwriter consists of the information described as such in subsection (b) below.

Without limitation and in addition to its obligation under the other sub-sections of this Section 9, the Company agrees to indemnify and hold harmless Morgan Stanley, its affiliates, directors and officers and each person, if any, who controls Morgan Stanley within the meaning of Section 15 of the Securities Act or Section 20 of the Exchange Act (collectively, the "Morgan Stanley Entities"), from and against any losses, claims, damages or liabilities, joint or several, to which Morgan Stanley may become subject, under the Act or otherwise as a result of Morgan Stanley acting as a "qualified independent underwriter" (within the meaning of FINRA Rule 5121) in connection with the offering contemplated by this Agreement, and agrees to reimburse Morgan Stanley for any legal or other expense reasonably incurred by them in connection with investigating, defending, settling, compromising or paying any such loss, claim, damage, liability, expense or action; provided, however, that the Company will not be liable in any such case to the extent that any such loss, claim, damage or liability results from the gross negligence or willful misconduct of Morgan Stanley.

(b) Each Underwriter agrees, severally and not jointly, to indemnify and hold harmless the Company, its directors, its officers who signed the Registration Statement and each person, if any, who controls the Company within the meaning of Section 15 of the Securities Act or Section 20 of the Exchange Act and each of the Selling Stockholders to the same extent as the indemnity set forth in paragraph (a) above, but only with respect to any losses, claims, damages or liabilities that arise out of, or are based upon, any untrue statement or omission or alleged untrue statement or omission made in reliance

upon and in conformity with any information furnished to the Company in writing by any Underwriter through the Representatives expressly for use in the Registration Statement, the Prospectus (or any amendment or supplement thereto), any Issuer Free Writing Prospectus, any Pricing Disclosure Package (including any Pricing Disclosure Package that has subsequently been amended), or any Section 5(d) Writing.

(c) Promptly after receipt by an indemnified party under subsection (a) or (b) of this Section 9 of notice of the commencement of any action, such indemnified party shall, if a claim in respect thereof is to be made against the indemnifying party under such subsection, notify the indemnifying party in writing of the commencement thereof; but the omission so to notify the indemnifying party shall not relieve it from any liability which it may have to any indemnified party otherwise than under such subsection. In case any such action shall be brought against any indemnified party and it shall notify the indemnifying party of the commencement thereof, the indemnifying party shall be entitled to participate therein and, to the extent that it shall wish, jointly with any other indemnifying party similarly notified, to assume the defense thereof, with counsel satisfactory to such indemnified party (who shall not, except with the consent of the indemnified party, be counsel to the indemnifying party), and, after notice from the indemnifying party to such indemnified party of its election so to assume the defense thereof, the indemnifying party shall not be liable to such indemnified party under such subsection for any legal expenses of other counsel or any other expenses, in each case subsequently incurred by such indemnified party, in connection with the defense thereof other than reasonable costs of investigation. Notwithstanding anything contained herein to the contrary, if indemnity may be sought pursuant to Section 9(a) hereof in respect of such action or proceeding, then in addition to

such separate firm for the indemnified parties, the indemnifying party shall be liable for the reasonable fees and expenses of not more than one separate firm (in addition to any local and/or regulatory counsel) for Morgan Stanley in its capacity as a "qualified independent underwriter" and all persons, if any, who control Morgan Stanley within the meaning of either Section 15 of the Act or Section 20 of the Exchange Act. No indemnifying party shall, without the written consent of the indemnified party, effect the settlement or compromise of, or consent to the entry of any judgment with respect to, any pending or threatened action or claim in respect of which indemnification or contribution may be sought hereunder (whether or not the indemnified party is an actual or potential party to such action or claim) unless such settlement, compromise or judgment (i) includes an unconditional release of the indemnified party from all liability arising out of such action or claim and (ii) does not include a statement as to or an admission of fault, culpability or a failure to act, by or on behalf of any indemnified party.

(d) If the indemnification provided for in this Section 9 is unavailable to or insufficient to hold harmless an indemnified party under

subsection (a) or (b) above in respect of any losses, claims, damages or liabilities (or actions in respect thereof) referred to therein, then each indemnifying party shall contribute to the amount paid or payable by such indemnified party as a result of such losses, claims, damages or liabilities (or actions in respect thereof) in such proportion as is appropriate to reflect the relative benefits received by the Company on the one hand and the Underwriters, including Morgan Stanley in its capacity as a "qualified independent underwriter", on the other from the offering of the Shares. If, however, the allocation provided by the immediately preceding sentence is not permitted by applicable law or if the indemnified party failed to give the notice required under subsection (c) above, then each indemnifying party shall contribute to such amount paid or payable by such indemnified party in such proportion as is appropriate to reflect not only such relative benefits but also the relative fault of the Company on the one hand and the Underwriters, including Morgan Stanley in its capacity as a "qualified independent underwriter", on the other in connection with the statements or omissions which resulted in such losses, claims, damages or liabilities (or actions in respect thereof), as well as any other relevant equitable considerations. The relative benefits received by the Company on the one hand and the Underwriters, including Morgan Stanley in its capacity as a "qualified independent underwriter", on the other shall be deemed to be in the same proportion as the total net proceeds from the offering (before deducting expenses) received by the Company bear to the total underwriting discounts and commissions received by the Underwriters, in each case as set forth in the table on the cover page of the Prospectus. The relative fault shall be determined by reference to, among other things, whether the untrue or alleged untrue statement of a material fact or the omission or alleged omission to state a material fact relates to information supplied by the Company on the one hand or the Underwriters, including Morgan Stanley in its capacity as a "qualified independent underwriter", on the other and the parties' relative intent, knowledge, access to information and opportunity to correct or prevent such statement or omission. The Company and the Underwriters agree that it would not be just and equitable if contribution pursuant to this subsection (d) were determined by pro rata allocation (even if the Underwriters were treated as one entity for such purpose) or by any other method of allocation which does not take account of the equitable considerations referred to above in this subsection (d). The amount paid or payable by an indemnified party as a result of the losses, claims, damages or liabilities (or actions in respect thereof) referred to above in this subsection (d) shall be deemed to include any legal or other expenses reasonably incurred by such indemnified party in connection with investigating or defending any such action or claim. Notwithstanding the provisions of this subsection (d), no Underwriter shall be required to contribute any amount in excess of the amount by which the total price at which the Shares underwritten by it and distributed to the public were offered to the public exceeds the amount of any damages which such Underwriter has otherwise been required to pay by reason of such untrue or alleged untrue statement or omission or alleged omission. No person guilty of

fraudulent misrepresentation (within the meaning of Section 11(f) of the Act) shall be entitled to contribution from any person who was not guilty of such fraudulent misrepresentation. The Underwriters' obligations in this subsection (d) to contribute are several in proportion to their respective underwriting obligations and not joint.

(e) The obligations of the Company under this Section 9 shall be in addition to any liability which the Company may otherwise have and shall extend, upon the same terms and conditions, to each officer and director of each Underwriter and each person, if any, who controls any Underwriter within the meaning of the Act and each broker-dealer affiliate of any Underwriter; and the obligations of the Underwriters under this Section 9 shall be in addition to any liability which the respective Underwriters may otherwise have and shall extend, upon the same terms and conditions, to each officer and director of the Company (including any person who, with his or her consent, is named in the Registration Statement as about to become a director of the Company) and to each person, if any, who controls the Company within the meaning of the Act.

10. (a) The Company agrees to indemnify and hold harmless the Morgan Stanley Entities from and against any and all losses, claims, damages and liabilities (including, without limitation, any legal or other expenses reasonably incurred in connection with defending or investigating any such action or claim) (i) caused by any untrue statement or alleged untrue statement of a material fact contained in any material prepared by or with the consent of the Company for distribution to Participants in connection with the Directed Share Program or caused by any omission or alleged omission to state therein a material fact required to be stated therein or necessary to make the statements therein not misleading; (ii) caused by the failure of any Participant to pay for and accept delivery of Directed Shares that the Participant agreed to purchase; or (iii) related to, arising out of, or in connection with the Directed Share Program, other than losses, claims, damages or liabilities (or expenses relating thereto) that are finally judicially determined to have resulted from the bad faith or gross negligence of the Morgan Stanley Entities.

(b) In case any proceeding (including any governmental investigation) shall be instituted involving any Morgan Stanley Entity in respect of which indemnity may be sought pursuant to Section 10(a), the Morgan Stanley Entity seeking indemnity, shall promptly notify the Company in writing and the Company, upon request of the Morgan Stanley Entity, shall retain counsel reasonably satisfactory to the Morgan Stanley Entity to represent the Morgan Stanley Entity and any others the Company may designate in such proceeding and shall pay the fees and disbursements of such counsel related to such proceeding. In any such proceeding, any Morgan Stanley Entity shall have the right to retain its own counsel, but the fees and expenses of

such counsel shall be at the expense of such Morgan Stanley Entity unless (i) the Company shall have agreed to the retention of such counsel or (ii) the named parties to any such proceeding (including any impleaded parties) include both the Company and the Morgan Stanley Entity and representation of both parties by the same counsel would be inappropriate due to actual or potential differing interests between them. The Company shall not, in respect of the legal expenses of the Morgan Stanley Entities in connection with any proceeding or related proceedings in the same jurisdiction, be liable for the fees and expenses of more than one separate firm (in addition to any local counsel) for all Morgan Stanley Entities. Any such separate firm for the Morgan Stanley Entities shall be designated in writing by Morgan Stanley. The Company shall not be liable for any settlement of any proceeding effected without its written consent, but if settled with such consent or if there be a final judgment for the plaintiff, the Company agrees to indemnify the Morgan Stanley Entities from and against any loss or liability by reason of such settlement or judgment. Notwithstanding the foregoing sentence, if at any time a Morgan Stanley Entity shall have requested the Company to reimburse it for fees and expenses of counsel as contemplated by the second and third sentences of this paragraph, the Company agrees that it shall be liable for any settlement of any proceeding effected without its written consent if (i) such settlement is entered into more than 30 days after receipt by the Company of the aforesaid request and (ii) the Company shall not have reimbursed the Morgan Stanley Entity in accordance with such request prior to the date of such settlement. The Company shall not, without the prior written consent of Morgan Stanley, effect any settlement of any pending or threatened proceeding in respect of which any Morgan Stanley Entity is or could have been a party and indemnity could have been sought hereunder by such Morgan Stanley Entity, unless such settlement includes an unconditional release of the Morgan Stanley Entities from all liability on claims that are the subject matter of such proceeding.

(c) To the extent the indemnification provided for in Section 10(a) is unavailable to a Morgan Stanley Entity or insufficient in respect of any losses, claims, damages or liabilities referred to therein, then the Company in lieu of indemnifying the Morgan Stanley Entity thereunder, shall contribute to the amount paid or payable by the Morgan Stanley Entity as a result of such losses, claims, damages or liabilities (i) in such proportion as is appropriate to reflect the relative benefits received by the Company on the one hand and the Morgan Stanley Entities on the other hand from the offering of the Directed Shares or (ii) if the allocation provided by clause 10(c)(i) above is not permitted by applicable law, in such proportion as is appropriate to reflect not only the relative benefits referred to in clause 10(c)(i) above but also the relative fault of the Company on the one hand and of the Morgan Stanley Entities on the other hand in connection with any statements or omissions that resulted in such losses, claims, damages or liabilities, as well as any other

relevant equitable considerations. The relative benefits received by the Company on the one hand and the Morgan Stanley Entities on the other hand in connection with the offering of the Directed Shares shall be deemed to be in the same respective proportions as the net proceeds from the offering of the Directed Shares (before deducting expenses) and the total underwriting discounts and commissions received by the Morgan Stanley Entities for the Directed Shares, bear to the aggregate price of the Directed Shares. If the loss, claim, damage or liability is caused by an untrue or alleged untrue statement of a material fact or the omission or alleged omission to state a material fact, the relative fault of the Company on the one hand and the Morgan Stanley Entities on the other hand shall be determined by reference to, among other things, whether the untrue or alleged untrue statement or the omission or alleged omission relates to information supplied by the Company or by the Morgan Stanley Entities and the parties' relative intent, knowledge, access to information and opportunity to correct or prevent such statement or omission.

(d) The Company and the Morgan Stanley Entities agree that it would not be just or equitable if contribution pursuant to this Section 10 were determined by *pro rata* allocation (even if the Morgan Stanley Entities were treated as one entity for such purpose) or by any other method of allocation that does not take account of the equitable considerations referred to in Section 10(c). The amount paid or payable by the Morgan Stanley Entities as a result of the losses, claims, damages and liabilities referred to in the immediately preceding paragraph shall be deemed to include, subject to the limitations set forth above, any legal or other expenses reasonably incurred by the Morgan Stanley Entities in connection with investigating or defending any such action or claim. Notwithstanding the provisions of this Section 10, no Morgan Stanley Entity shall be required to contribute any amount in excess of the amount by which the total price at which the Directed Shares distributed to the public

were offered to the public exceeds the amount of any damages that such Morgan Stanley Entity has otherwise been required to pay. The remedies provided for in this Section 10 are not exclusive and shall not limit any rights or remedies which may otherwise be available to any indemnified party at law or in equity.

(e) The indemnity and contribution provisions contained in this Section 10 shall remain operative and in full force and effect regardless of (i) any termination of this Agreement, (ii) any investigation made by or on behalf of any Morgan Stanley Entity or the Company, its officers or directors or any person controlling the Company and (iii) acceptance of and payment for any of the Directed Shares.

11. (a) If any Underwriter shall default in its obligation to purchase the Shares that it has agreed to purchase hereunder at a Time of Delivery, you

may in your discretion arrange for you or another party or other parties to purchase such Shares on the terms contained herein. If within thirty-six hours after such default by any Underwriter you do not arrange for the purchase of such Shares, then the Company shall be entitled to a further period of thirty-six hours within which to procure another party or other parties satisfactory to you to purchase such Shares on such terms. In the event that, within the respective prescribed periods, you notify the Company that you have so arranged for the purchase of such Shares, or the Company notifies you that it has so arranged for the purchase of such Shares, you or the Company shall have the right to postpone such Time of Delivery for a period of not more than seven days, in order to effect whatever changes may thereby be made necessary in the Registration Statement or the Prospectus, or in any other documents or arrangements, and the Company agrees to file promptly any amendments or supplements to the Registration Statement or the Prospectus which in your opinion may thereby be made necessary. The term "Underwriter" as used in this Agreement shall include any person substituted under this Section with like effect as if such person had originally been a party to this Agreement with respect to such Shares.

(b) If, after giving effect to any arrangements for the purchase of the Shares of a defaulting Underwriter or Underwriters by you and the Company as provided in subsection (a) above, the aggregate number of such Shares which remains unpurchased does not exceed one-eleventh of the aggregate number of all the Shares to be purchased at such Time of Delivery, then the Company shall have the right to require each non-defaulting Underwriter to purchase the number of Shares which such Underwriter agreed to purchase hereunder at such Time of Delivery and, in addition, to require each non-defaulting Underwriter to purchase its pro rata share (based on the number of Shares which such Underwriter agreed to purchase hereunder) of the Shares of such defaulting Underwriter or Underwriters for which such arrangements have not been made; but nothing herein shall relieve a defaulting Underwriter from liability for its default.

(c) If, after giving effect to any arrangements for the purchase of the Shares of a defaulting Underwriter or Underwriters by you and the Company as provided in subsection (a) above, the aggregate number of such Shares which remains unpurchased exceeds one-eleventh of the aggregate number of all of the Shares to be purchased at such Time of Delivery, or if the Company shall not exercise the right described in subsection (b) above to require non-defaulting Underwriters to purchase Shares of a defaulting Underwriter or Underwriters, then this Agreement (or, with respect to a Second Time of Delivery, the obligations of the Underwriters to purchase and of the Company to sell the Optional Shares) shall thereupon terminate, without liability on the part of any non-defaulting Underwriter or the Company, except for the expenses to be borne by the Company and the Underwriters as provided in Section 7 hereof and the indemnity

and contribution agreements in Section 9 hereof; but nothing herein shall relieve a defaulting Underwriter from liability for its default.

12. The respective indemnities, agreements, representations, warranties and other statements of the Company, the QIU and the several Underwriters, as set forth in this Agreement or made by or on behalf of them, respectively, pursuant to this Agreement, shall remain in full force and effect, regardless of any investigation (or any statement as to the results thereof) made by or on behalf of any Underwriter, the QIU, or any controlling person of any Underwriter or the QIU, or the Company, or any officer or director or controlling person of the Company, and shall survive delivery of and payment for the Shares.

13. If this Agreement shall be terminated pursuant to Section 11 hereof, the Company shall not then be under any liability to any Underwriter except as provided in Sections 7 and 9 hereof; but, if for any other reason any Shares are not delivered by or on behalf of the Company as provided herein, the Company will reimburse the Underwriters through you for all out-of-pocket expenses approved in writing by you, including fees and disbursements of counsel, reasonably incurred by the Underwriters in making preparations for the purchase, sale and delivery of the Shares not so delivered, but the Company shall then be under no further liability to any Underwriter except as provided in Sections 7 and 9 hereof.

14. In all dealings hereunder, you shall act on behalf of each of the Underwriters, and the parties hereto shall be entitled to act and rely upon any statement, request, notice or agreement on behalf of any Underwriter made or given by the Representatives.

All statements, requests, notices and agreements hereunder shall be in writing, and if to the Underwriters shall be delivered or sent by mail, telex or facsimile transmission to you as the Representatives in care of Goldman, Sachs & Co., 200 West Street, New York, New York 10282-2198, Attention: Registration Department, and in care of Morgan Stanley & Co. LLC, 1585 Broadway, New York, New York 10036, Attention: Equity Syndicate Desk, with a copy to the Legal Department; if to the Company shall be delivered or sent by mail, telex or facsimile transmission to the address of the Company set forth on the cover of the Registration Statement, Attention: Secretary, with a copy to Latham & Watkins LLP, John Hancock Tower, 200 Clarendon Street, Boston, Massachusetts 02116, Attention: Peter N. Handrinos; and if to any stockholder that has delivered a lock-up letter described in Section 8(k) hereof shall be delivered or sent by mail to his or her respective address provided in writing to the Company; provided, however, that any notice to an Underwriter pursuant to Section 9(c) hereof shall be delivered or sent by mail, telex or facsimile transmission to such Underwriter at its address set forth in its Underwriters' Questionnaire, or telex constituting such

Questionnaire, which address will be supplied to the Company by you on request; provided, however, that notices under Section 5(e) hereof shall be in writing, and if to the Underwriters shall be delivered or sent by mail, telex or facsimile transmission to you as the Representatives at Goldman, Sachs & Co., 200 West Street, New York, New York 10282-2198, Attention: Control Room, and at Morgan Stanley & Co. LLC, 1585 Broadway, New York, New York 10036, Attention: Equity Syndicate Desk, with a copy to the Legal Department. Any such statements, requests, notices or agreements shall take effect upon receipt thereof.

In accordance with the requirements of the USA Patriot Act (Title III of Pub. L. 107-56 (signed into law October 26, 2001)), the underwriters are required to obtain, verify and record information that identifies their respective clients, including the Company, which information may include the name and address of their respective clients, as well as other information that will allow the underwriters to properly identify their respective clients.

15. This Agreement shall be binding upon, and inure solely to the benefit of, the Underwriters, the QIU, the Company and, to the extent provided in Sections 9, 10 and 12 hereof, the officers and directors of the Company and each person who controls the Company, the QIU or any Underwriter, and their respective heirs, executors, administrators, successors and assigns, and no other person shall acquire or have any right under or by virtue of this Agreement. No purchaser of any of the Shares from any Underwriter shall be deemed a successor or assign by reason merely of such purchase.

16. Time shall be of the essence of this Agreement. As used herein, the term "business day" shall mean any day when the Commission's office in Washington, D.C. is open for business.

17. The Company acknowledges and agrees that (i) the purchase and sale of the Shares pursuant to this Agreement is an arm's-length commercial transaction between the Company, on the one hand, and the several Underwriters, on the other, (ii) in connection therewith and with the process leading to such transaction each Underwriter is acting solely as a principal and not the agent or fiduciary of the Company, (iii) no Underwriter has assumed an advisory or fiduciary responsibility in favor of the Company with respect to the offering contemplated hereby or the process leading thereto (irrespective of whether such Underwriter has advised or is currently advising the Company on other matters) or any other obligation to the Company except the obligations expressly set forth in this Agreement and (iv) the Company has consulted its own legal and financial advisors to the extent it deemed appropriate. The Company agrees that it will not claim that the Underwriters, or any of them, has rendered advisory services of any nature or respect, or owes a fiduciary or similar duty to the Company, in connection with such transaction or the process leading thereto.

18. This Agreement supersedes all prior agreements and understandings (whether written or oral) between the Company and the Underwriters, or any of them, with respect to the subject matter hereof.

19. **THIS AGREEMENT AND ANY MATTERS RELATED TO THIS TRANSACTION SHALL BE GOVERNED BY AND CONSTRUED IN ACCORDANCE WITH THE LAWS OF THE STATE OF NEW YORK WITHOUT REGARD TO PRINCIPLES OF CONFLICT OF LAWS THAT WOULD RESULT IN THE APPLICATION OF ANY LAW OTHER THAN THE LAWS OF THE STATE OF NEW YORK. The Company agrees that any suit or proceeding arising in respect of this agreement or our engagement will be tried exclusively in the**

U.S. District Court for the Southern District of New York or, if that court does not have **subject matter jurisdiction, in any state court located in The City and County of New York and the Company agrees to submit to the jurisdiction of, and to venue in, such courts.**

20. The Company and each of the Underwriters hereby irrevocably waives, to the fullest extent permitted by applicable law, any and all right to trial by jury in any legal proceeding arising out of or relating to this Agreement or the transactions contemplated hereby.

21. This Agreement may be executed by any one or more of the parties hereto in any number of counterparts, each of which shall be deemed to be an original, but all such counterparts shall together constitute one and the same instrument.

22. Notwithstanding anything herein to the contrary, the Company is authorized to disclose to any persons the U.S. federal and state income tax treatment and tax structure of the potential transaction and all materials of any kind (including tax opinions and other tax analyses) provided to the Company relating to that treatment and structure, without the Underwriters imposing any limitation of any kind. However, any information relating to the tax treatment and tax structure shall remain confidential (and the foregoing sentence shall not apply) to the extent necessary to enable any person to comply with securities laws. For this purpose, "tax structure" is limited to any facts that may be relevant to that treatment.

[Remainder of this page intentionally left blank.]

If the foregoing is in accordance with your understanding, please sign and return to us five counterparts hereof, and upon the acceptance hereof by you, on behalf of each of the Underwriters, this letter and such acceptance hereof shall constitute a binding agreement between each of the Underwriters and the Company. It is understood that your acceptance of this letter on behalf of each of the Underwriters is pursuant to the authority set forth in a form of Agreement among Underwriters, the form of which shall be submitted to the Company for examination upon request, but without warranty on your part as to the authority of the signers thereof.

Very truly yours,

T2 BIOSYSTEMS, INC.

By: _____
Name:
Title:

Accepted as of the date hereof:

GOLDMAN, SACHS & CO.

By: _____
Name:
Title:

MORGAN STANLEY & CO. LLC

By: _____
Name:
Title:

On behalf of each of the Underwriters

SCHEDULE I

Underwriter	Total Number of Firm Shares to be Purchased	Number of Optional Shares to be Purchased if Maximum Option Exercised
Goldman, Sachs & Co.		
Morgan Stanley & Co. LLC		
Leerink Partners LLC		
Janney Montgomery Scott LLC		
Total		

SCHEDULE II

(a) Issuer Free Writing Prospectuses not included in the Pricing Disclosure Package

(b) Section 5(d) Writings

(c) Information other than the Pricing Prospectus that comprise the Pricing Disclosure Package

The initial public offering price per share for the Shares is $[ ].

The number of Firm Shares purchased by the Underwriters is [ ].

The number of Optional Shares is [ ].

[Add any other pricing disclosure.]

FORM OF COMFORT LETTER DELIVERED PRIOR TO EXECUTION OF THIS AGREEMENT

ANNEX I(b)

FORM OF COMFORT LETTER TO BE DELIVERED AT EACH TIME OF DELIVERY

ANNEX V

Form of Press Release

T2 Biosystems, Inc.

[Date]

T2 Biosystems, Inc. (the "Company") announced today that Goldman, Sachs & Co. and Morgan Stanley & Co. LLC, the joint book-running managers in the Company's recent public sale of shares of common stock, are [waiving] [releasing] a lock-up restriction with respect to shares of the Company's common stock held by [certain officers or directors] [an officer or director] of the Company. The [waiver] [release] will take effect on , 201 , and the shares may be sold on or after such date.

This press release is not an offer for sale of the securities in the United States or in any other jurisdiction where such offer is prohibited, and such securities may not be offered or sold in the United States absent registration or an exemption from registration under the United States Securities Act of 1933, as amended.

ANNEX VI

FORM OF LOCK-UP AGREEMENT

T2 Biosystems, Inc.

, 2014

T2 Biosystems, Inc.
101 Hartwell Avenue
Lexington, MA 02421

and

Goldman, Sachs & Co.
Morgan Stanley & Co. LLC
As representatives of the several Underwriters
c/o Goldman, Sachs & Co.
200 West Street
New York, NY 10282-2198

Re: T2 Biosystems, Inc. - Lock-Up Agreement

Ladies and Gentlemen:

The undersigned understands that Goldman, Sachs & Co. and Morgan Stanley & Co. LLC, as representatives (collectively, the "Representatives"), propose to enter into an underwriting agreement (the "Underwriting Agreement") on behalf of the several Underwriters to be named in Schedule I to such agreement (collectively, the "Underwriters"), with T2 Biosystems, Inc., a Delaware corporation (the "Company"), providing for a public offering of the Common Stock of the Company (the "Shares") pursuant to a Registration Statement on Form S-1 to be filed with the Securities and Exchange Commission (the "SEC").

In consideration of the agreement by the Underwriters to offer and sell the Shares, and of other good and valuable consideration the receipt and sufficiency of which is hereby acknowledged, the undersigned agrees that, during the period specified in the following paragraph (the "Lock-Up Period"), the undersigned will not offer, sell, contract to sell, pledge, grant any option to purchase, make any short sale or otherwise dispose of, or publicly disclose an intention to take any such actions with respect to, any shares of common stock, $0.001 per share par value, of the Company (the "Common Stock"), or any options or warrants to purchase any shares of Common Stock of the Company, or any securities convertible into, exchangeable for or that represent the right to receive shares of Common Stock of the Company, whether now owned or hereinafter acquired, owned directly by the undersigned (including holding as a custodian) or with respect to which the undersigned has beneficial ownership within the rules and regulations of the SEC (collectively the "Undersigned's Shares"). The foregoing restriction is expressly agreed to preclude the undersigned from engaging in any hedging or other transaction which is designed to or which reasonably could be expected to lead to or result in a sale or disposition of the Undersigned's Shares even if the Undersigned's Shares would be disposed of by someone other than the undersigned. Such prohibited hedging or other transactions would include, without limitation, any short sale or any purchase, sale or grant of any right (including, without limitation, any put or call option) with respect to any of the Undersigned's Shares or with respect to any security that includes, relates to, or derives any significant part of its value from such Shares. If the undersigned is an officer or director of the Company, the undersigned further agrees that the foregoing provisions shall be equally applicable to any issuer-directed Shares the undersigned may purchase in the offering.

The Lock-Up Period will commence on the date of this letter agreement (the "Lock-Up Agreement") and continue for 180 days after the public offering date set forth on the final prospectus (the "Prospectus") used to sell the Shares (the "Public Offering Date") pursuant to the Underwriting Agreement.

In addition, the undersigned agrees that, during the Lock-Up Period, without the prior written consent of the Representatives on behalf of the Underwriters (which consent may be withheld in their sole discretion), (a) the undersigned will not request, make any demand for or exercise any right with respect to, the registration of any Common Stock or any security convertible into or exercisable or exchangeable for Common Stock, and (b) the undersigned waives any and all notice requirements and rights with respect to the registration of any such security pursuant to any agreement, understanding or otherwise to which the undersigned is a party. In addition, the undersigned hereby waives any and all preemptive rights, participation rights, resale rights, rights of first refusal and similar rights that the undersigned may have in connection with the offering contemplated by the Underwriting Agreement or with any issuance or sale by the Company of any equity or other securities before such offering.

If the undersigned is an officer or director of the Company, (i) the Representatives agree that, at least three business days before the effective date of any release or waiver of the foregoing restrictions in connection with a transfer of shares of Common Stock, the Representatives will notify the Company of the impending release or waiver, and (ii) the Company has agreed in the Underwriting Agreement to announce the impending release or waiver by press release through a major news service at least two business days before the effective date of the release or waiver. Any release or waiver granted by the Representatives hereunder to any such officer or director shall only be effective two business days after the publication date of such press release. The provisions of this paragraph will not apply if (a) the release or waiver is effected solely to permit a transfer not for consideration and (b) the transferee has agreed in writing to be bound by the same terms described in this letter to the extent and for the duration that such terms remain in effect at the time of the transfer.

Notwithstanding the foregoing, the undersigned may transfer the Undersigned's Shares (i) as a *bona fide* gift or gifts, *provided* that the donee or donees thereof agree to be bound in writing by the restrictions set forth herein, (ii) to any member of the immediate family of the undersigned or any trust or other legal entity for the direct or indirect benefit of the undersigned or the immediate family of the undersigned, *provided* that the transferee agrees to be bound in writing by the restrictions set forth herein, (iii) by will or intestacy, *provided* that the transferee agrees to be bound in writing by the

restrictions set forth herein, (iv) for the primary purpose of satisfying the exercise price and/or tax withholding obligations upon the vesting or exercise of an option or other award granted under a stock incentive plan or stock purchase plan of the Company described in the Prospectus or the conversion or exercise of a warrant of the Company described in the Prospectus, (v) pursuant to Section 19 of the Company's Amended and Restated 2006 Employee, Director and Consultant Stock Plan, (vi) with the prior written consent of Goldman, Sachs & Co. and Morgan Stanley & Co. LLC on behalf of the Underwriters, (vii) acquired in open market transactions on or after the Public Offering Date, (viii) as part of a distribution, transfer or disposition without consideration by the undersigned to its limited or general partners, members, stockholders or affiliates (as defined under Rule 12b-2 of the Securities Exchange Act of 1934, as amended), *provided* that the transferee agrees to be bound in writing by the restrictions set forth herein and there shall be no further transfer of such capital stock except in accordance with this Lock-Up Agreement, and *provided further* that any such transfer shall not involve a disposition for value, (ix) in connection with the establishment of a trading plan pursuant to Rule 10b5-1 under the Exchange Act, *provided* that no transfer of Shares pursuant to such plan may occur during the Lock-Up Period, (x) pursuant to any contractual arrangement described in the Prospectus in effect on the date of this Lock-Up Agreement that provides for the repurchase of the Undersigned's Shares by the Company in connection with the termination of the undersigned's employment or other service relationship with the Company or the undersigned's failure to meet certain conditions set out upon receipt of such Shares, (xi) in connection with the conversion of any convertible security into, or the exercise of any option or warrant that would expire by its terms during the Lock-Up Period for, Common Stock of the Company in connection with the consummation of the offering contemplated by the Underwriting Agreement, *provided* that any such shares of Common Stock received shall be subject to the terms of this Lock-Up Agreement and (xii) pursuant to a merger, consolidation or other similar transaction involving a Change of Control of the Company and approved by the Company's board of directors, *provided* that, in the event that such Change of Control is not completed, the Undersigned's Shares shall remain subject to the restrictions contained in this Lock-Up Agreement and title to the Undersigned's Shares shall remain with the undersigned. In addition, with respect to clauses (i) through (x) above, it shall be a condition to such transfer that no filing under the Exchange Act nor any other public filing or disclosure

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of such transfer by or on behalf of the undersigned shall be required or voluntarily made during the Lock-Up Period. For purposes of this Lock-Up Agreement, "immediate family" shall mean any relationship by blood, domestic partnership, marriage or adoption, not more remote than first cousin. For the purposes of clause (xii), "Change of Control" shall mean the transfer (whether by tender offer, merger, consolidation or other similar transaction), in one transaction or a series of related transactions, to a person or group of affiliated persons (other than an Underwriter pursuant to the public offering), of the Company's voting securities if, after such transfer, such person or group of affiliated persons would hold 100% of the outstanding voting securities of the Company (or the surviving entity). In addition, notwithstanding the foregoing, if the undersigned is a corporation, partnership, limited liability company, trust or other business entity, the undersigned may transfer the Undersigned's Shares by transfer to any corporation, partnership, limited liability company or other legal entity that, directly or indirectly, controls, is controlled by, or is under common control with, the undersigned; *provided, however*, that in any such case, it shall be a condition to the transfer that (a) the transferee execute an agreement stating that the transferee is receiving and holding such capital stock subject to the provisions of this Lock-Up Agreement and there shall be no further transfer of such capital stock except in accordance with this Lock-Up Agreement and (b) that no filing under the Exchange Act nor any other public filing or disclosure of such transfer by or on behalf of the undersigned shall be required or voluntarily made during the Lock-Up Period. The undersigned now has, and, except as contemplated by clauses (i) through (xii) above, for the duration of this Lock-Up Agreement will have, good and marketable title to the Undersigned's Shares, free and clear of all liens, encumbrances, and claims whatsoever, except those arising under securities laws. The undersigned also agrees and consents to the entry of stop transfer instructions with the Company's transfer agent and registrar against the transfer of the Undersigned's Shares except in compliance with the foregoing restrictions.

The undersigned understands that the Company and the Underwriters are relying upon this Lock-Up Agreement in proceeding toward consummation of the offering. The undersigned further understands that this Lock-Up Agreement is irrevocable and shall be binding upon the undersigned's heirs, legal representatives, successors, and assigns.

This Lock-Up Agreement (and for the avoidance of doubt, the Lock-Up Period described herein) and related restrictions shall automatically terminate upon the earliest to occur, if any, of (i) the Representatives, on behalf of the Underwriters, on the one hand, or the Company, on the other hand, advising the other in writing prior to the execution of the Underwriting Agreement that they have or it has determined not to proceed with the public offering contemplated by the Underwriting Agreement, (ii) the registration statement filed with the SEC with respect to the public offering contemplated by the Underwriting Agreement is withdrawn, (iii) the termination of the Underwriting Agreement (other than the provisions thereof which survive termination) before the sale of any Shares to the Underwriters or (iv) September 30, 2014 (provided, however, that the Company may extend such date by up to three months with written notice to the undersigned prior thereto) if the Company is still pursuing the offering contemplated by the Underwriting Agreement, in the event the closing of the Public Offering Date shall not have occurred prior to such date.

Very truly yours,

_____

Name of Stockholder *(Print exact name)*

By: _____

Signature

If signing on behalf of an entity:

_____

Name of Authorized Signatory *(Print)*

_____

Title of Authorized Signatory *(Print)*

RESTATED
CERTIFICATE OF INCORPORATION
OF
T2 BIOSYSTEMS, INC.

T2 BIOSYSTEMS, INC., a corporation organized and existing under and by virtue of the General Corporation Law of the State of Delaware (the **"Corporation"**), does hereby certify that:

1. The name of the Corporation is T2 Biosystems, Inc.

2. The Certificate of Incorporation of the Corporation was filed with the Delaware Secretary of State on April 27, 2006 under the name Bioplex Systems, Inc. A Certificate of Amendment to the Certificate of Incorporation was filed on July 24, 2006 and a Certificate of Designation was filed on July 24, 2006. A Certificate of Amendment to the Certificate of Incorporation was filed on December 6, 2006 that changed the name of the Corporation to T2 Biosystems, Inc. A Certificate of Amendment to the Certificate of Incorporation was filed on August 30, 2007. A Restated Certificate of Incorporation was filed on July 29, 2008. A Certificate of Amendment to the Restated Certificate of Incorporation was filed on September 5, 2008. A Certificate of Amendment to the Restated Certificate of Incorporation was filed on September 25, 2008. A Restated Certificate of Incorporation was filed on May 13, 2010. A Restated Certificate of Incorporation was filed on August 2, 2011. A Certificate of Amendment to the Restated Certificate of Incorporation was filed on June 22, 2012.

3. This Restated Certificate of Incorporation amends and restates the Restated Certificate of Incorporation filed on August 2, 2011, as amended (the **"Restated Certificate of Incorporation"**), and has been duly adopted in accordance with the provisions of Sections 141, 242 and 245 of the General Corporation Law of the State of Delaware.

4. Pursuant to Section 228(a) of the General Corporation Law of the State of Delaware, the holders of outstanding shares of the Corporation having no less than the minimum number of votes that would be necessary to authorize or take such actions at a meeting at which all shares entitled to vote thereon were present and voted, consented to the adoption of the aforesaid amendments without a meeting, without a vote and without prior notice and that written notice of the taking of such actions is being given in accordance with Section 228(e) of the General Corporation Law of the State of Delaware.

5. The text of the Restated Certificate of Incorporation is hereby amended and restated to read in full as follows:

RESTATED
CERTIFICATE OF INCORPORATION
OF
T2 BIOSYSTEMS, INC.

FIRST: The name of the corporation (hereinafter called the **"Corporation")** is

T2 BIOSYSTEMS, INC.

SECOND: The address, including street, number, city, and county, of the registered office of the Corporation in the State of Delaware is 2711 Centerville Road, Suite 400, City of Wilmington, County of New Castle; and the name of the registered agent of the Corporation in the State of Delaware is Corporation Service Company.

THIRD: The nature of the business to be conducted and the purposes of the Corporation are:

To purchase or otherwise acquire, invest in, own, lease, mortgage, pledge, sell, assign and transfer or otherwise dispose of, trade and deal in and with real property and personal property of every kind, class and description (including, without limitation, goods, wares and merchandise of every kind, class and description), to manufacture goods, wares and merchandise of every kind, class and description, both on its own account and for others;

To make and perform agreements and contracts of every kind and description; and

Generally to engage in any lawful act or activity or carry on any business for which corporations may be organized under the General Corporation Law of the State of Delaware or any successor statute.

FOURTH:

The Corporation is authorized to issue two classes of stock to be designated, respectively, **"Common Stock"** and **"Preferred Stock."** The aggregate number of shares which the Corporation is authorized to issue is 49,900,066 shares, each with a par value of $0.001 per share. 28,254,907 shares shall be Common Stock and 21,645,159 shares shall be Preferred Stock, each with the par value of $0.001 per share. The Preferred Stock may be issued in one or more series, of which (i) one such series shall be designated the **"Series A-1 Convertible Preferred Stock"** and shall consist of 282,849 shares of Series A-1 Convertible Preferred Stock (the **"Series A-1 Preferred Stock"**), (ii) one such series shall be designated the **"Series A-2 Convertible Preferred Stock"** and shall consist of 1,717,728 shares of Series A-2 Convertible Preferred Stock (the **"Series A-2 Preferred Stock,"** together with the Series A-1 Preferred Stock, the **"Series A Preferred Stock"**), (iii) one such series shall be designated the **"Series B Convertible Preferred Stock"** and shall consist of 3,523,765 shares of Series B Convertible

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Preferred Stock (the **"Series B Preferred Stock"**), (iv) one such series shall be designated the **"Series C Convertible Preferred Stock"** and shall consist of 4,085,125 shares of Series C Convertible Preferred Stock (the **"Series C Preferred Stock"**), (v) one such series shall be designated the **"Series D Convertible Preferred Stock"** and shall consist of 5,074,725 shares of Series D Convertible Preferred Stock (the **"Series D Preferred Stock"**), and (vi) one such series shall be designated the **"Series E Convertible Preferred Stock"** and shall consist of 6,960,967 shares of Series E Convertible Preferred Stock (the **"Series E Preferred Stock"**). The Board of Directors is authorized, subject to any limitations prescribed by law and this Restated Certificate of Incorporation, as amended from time to time, to provide for the issuance of shares of Preferred Stock in series, and by filing a certificate pursuant to the applicable law of the State of Delaware (such certificate being hereafter referred to as a **"Preferred Stock Designation"**), to establish from time to time the number of shares to be included in each such series, and to fix the designation, powers, preferences and rights of the shares of each such series and any qualifications, limitations or restrictions thereof. The number of authorized shares of Common Stock may be increased or decreased (but not below the number of shares of Common Stock then outstanding) by the affirmative vote of the holders of a majority of the capital stock of the Corporation entitled to vote (voting together as a single class on an as-if-converted basis), irrespective of the provisions of 242(b)(2) of the General Corporation Law of the State of Delaware. The holders of Common Stock are not entitled to vote separately as a class to increase or decrease the number of authorized shares of Common Stock.

The following is a statement of the designations and the powers, preferences and rights, and the qualifications, limitations and restrictions thereof in respect of each class of capital stock of the Corporation.

A. Common Stock.

1. General. The voting, dividend and liquidation and other rights of the holders of the Common Stock are expressly made subject to and qualified by the rights of the holders of any series of Preferred Stock.

2. Voting Rights. The holders of record of the Common Stock are entitled to one vote per share on all matters to be voted on by the Corporation's stockholders.

3. Dividends. Dividends may be declared and paid on the Common Stock from funds lawfully available therefor if, as and when determined by the Board of Directors in their sole discretion, subject to provisions of law, any provision of this Restated Certificate of Incorporation, as amended from time to time, and subject to the relative rights and preferences of any shares of Preferred Stock authorized, issued and outstanding hereunder.

4. Liquidation. Upon the dissolution, liquidation or winding up of the Corporation, whether voluntary or involuntary, holders of record of the Common Stock will be entitled to receive *pro rata* all assets of the Corporation available for distribution to

its stockholders, subject, however, to the liquidation rights of the holders of Preferred Stock authorized, issued and outstanding hereunder.

B. Preferred Stock.

1. Dividends.

(a) The holders of Preferred Stock shall be entitled to receive dividends as follows: (i) from and after the issuance of each share of Series A Preferred Stock, the holder of such share of Series A Preferred Stock shall be entitled to receive dividends at the rate of eight percent (8%) of the applicable Series A Preferred Original Issue Price (as defined below) per annum per share (subject to appropriate adjustment in the event of any stock dividend, stock split, combination or other similar recapitalization affecting such shares), (ii) from and after the issuance of each share of Series B Preferred Stock, the holder of such share of Series B Preferred Stock shall be entitled to receive dividends at the rate of eight percent (8%) of the applicable Series B Preferred Original Issue Price (as defined below) per annum per share (subject to appropriate adjustment in the event of any stock dividend, stock split, combination or other similar recapitalization affecting such shares), (iii) from and after the issuance of each share of Series C Preferred Stock, the holder of such share of Series C Preferred Stock shall be entitled to receive dividends at the rate of eight percent (8%) of the applicable Series C Preferred Original Issue Price (as defined below) per annum per share (subject to appropriate adjustment in the event of any stock dividend, stock split, combination or other similar recapitalization affecting such shares), (iv) from and after the issuance of each share of Series D Preferred Stock, the holder of such share of Series D Preferred Stock shall be entitled to receive dividends at the rate of eight percent (8%) of the applicable Series D Preferred Original Issue Price (as defined below) per annum per share (subject to appropriate adjustment in the event of any stock dividend, stock split, combination or other similar recapitalization affecting such shares), and (v) from and after the issuance of each share of Series E Preferred Stock, the holder of such share of Series E Preferred Stock shall be entitled to receive dividends at the rate of eight percent (8%) of the applicable Series E Preferred Original Issue Price (as defined below) per annum per share (subject to appropriate adjustment in the event of any stock dividend, stock split, combination of or other similar recapitalization affecting such shares) (the dividends described in subsections (i), (ii), (iii), (iv) and (v) of this paragraph are referred to herein as the **"Accruing Dividends"**). Accruing Dividends shall accrue from day to day, whether or not earned or declared, and shall be cumulative and non-compounding; provided, however, that except as set forth in this Section 1, Subsections 2(a), 2(b), 2(c), 2(d) or 2(e) or Section 6, the Corporation shall be under no obligation to pay such Accruing Dividends.

(b) The Corporation shall not declare, pay or set aside any dividends on any other shares of capital stock of the Corporation (other than dividends on shares of Common Stock payable in shares of Common Stock) unless the holders of the Series E Preferred Stock then outstanding shall receive, *pari passu* with the holders of the Corporation's Series A Preferred Stock, the holders of the Corporation's Series B Preferred Stock, the holders of the Corporation's Series C Preferred Stock and the holders of the Corporation's Series D Preferred

Stock, a dividend on each outstanding share of Series E Preferred Stock in an amount at least equal to (i) the amount of the aggregate Accruing Dividends then accrued on such share of Series E Preferred Stock and not previously paid plus (ii) (A) in the case of a dividend on Common Stock or any class or series that is convertible into Common Stock, that dividend per share of Series E Preferred Stock as would equal the product of (1) the dividend payable on each share of such class or series determined, if applicable, as if all such shares of such class or series had been converted into Common Stock and (2) the number of shares of Common Stock issuable upon conversion of a share of Series E Preferred Stock, in each case calculated on the record date for determination of holders entitled to receive such dividend or (B) in the case of a dividend on any class or series that is not convertible into Common Stock, at a rate per share of Series E Preferred Stock determined by dividing the amount of the dividend payable on each share of such class or series of capital stock by the original issuance price of such class or series of capital stock and multiplying such fraction by an amount equal to $5.7712 per share of Series E Preferred Stock (subject to appropriate adjustment in the event of any stock dividend, stock split, combination or other similar recapitalization affecting such shares) (such amount, as so adjusted from time to time, being hereinafter referred to as the **"Series E Original Issue Price"**).

(c) The Corporation shall not declare, pay or set aside any dividends on any other shares of capital stock of the Corporation (other than dividends on shares of Common Stock payable in shares of Common Stock) unless the holders of the Series D Preferred Stock then outstanding shall receive, *pari passu* with the holders of the Corporation's Series A Preferred Stock, the holders of the Corporation's Series B Preferred Stock, the holders of the Corporation's Series C Preferred Stock and the holders of the Corporation's Series E Preferred Stock, a dividend on each outstanding share of Series D Preferred Stock in an amount at least equal to (i) the amount of the aggregate Accruing Dividends then accrued on such share of Series D Preferred Stock and not previously paid plus (ii) (A) in the case of a dividend on Common Stock or any class or series that is convertible into Common Stock, that dividend per share of Series D Preferred Stock as would equal the product of (1) the dividend payable on each share of such class or series determined, if applicable, as if all such shares of such class or series had been converted into Common Stock and (2) the number of shares of Common Stock issuable upon conversion of a share of Series D Preferred Stock, in each case calculated on the record date for determination of holders entitled to receive such dividend or (B) in the case of a dividend on any class or series that is not convertible into Common Stock, at a rate per share of Series D Preferred Stock determined by dividing the amount of the dividend payable on each share of such class or series of capital stock by the original issuance price of such class or series of capital stock and multiplying such fraction by an amount equal to $4.55 per share of Series D Preferred Stock (subject to appropriate adjustment in the event of any stock dividend, stock split, combination or other similar recapitalization affecting such shares) (such amount, as so adjusted from time to time, being hereinafter referred to as the **"Series D Original Issue Price"**).

(d) The Corporation shall not declare, pay or set aside any dividends on any other shares of capital stock of the Corporation (other than dividends on shares of Common Stock payable in shares of Common Stock) unless the holders of the Series C Preferred Stock then outstanding shall receive, *pari passu* with the holders of the Corporation's Series A

Preferred Stock, the holders of the Corporation's Series B Preferred Stock, the holders of the Corporation's Series D Preferred Stock and the holders of the Corporation's Series E Preferred Stock, a dividend on each outstanding share of Series C Preferred Stock in an amount at least equal to (i) the amount of the aggregate Accruing Dividends then accrued on such share of Series C Preferred Stock and not previously paid plus (ii) (A) in the case of a dividend on Common Stock or any class or series that is convertible into Common Stock, that dividend per share of Series C Preferred Stock as would equal the product of (1) the dividend payable on each share of such class or series determined, if applicable, as if all such shares of such class or series had been converted into Common Stock and (2) the number of shares of Common Stock issuable upon conversion of a share of Series C Preferred Stock, in each case calculated on the record date for determination of holders entitled to receive such dividend or (B) in the case of a dividend on any class or series that is not convertible into Common Stock, at a rate per share of Series C Preferred Stock determined by dividing the amount of the dividend payable on each share of such class or series of capital stock by the original issuance price of such class or series of capital stock and multiplying such fraction by an amount equal to $3.6608 per share of Series C Preferred Stock (subject to appropriate adjustment in the event of any stock dividend, stock split, combination or other similar recapitalization affecting such shares) (such amount, as so adjusted from time to time, being hereinafter referred to as the **"Series C Original Issue Price"**).

(e) The Corporation shall not declare, pay or set aside any dividends on any other shares of capital stock of the Corporation (other than dividends on shares of Common Stock payable in shares of Common Stock) unless the holders of the Series B Preferred Stock then outstanding shall receive, *pari passu* with the holders of the Corporation's Series A Preferred Stock, the holders of the Corporation's Series C Preferred Stock, the holders of the Corporation's Series D Preferred Stock and the holders of the Corporation's Series E Preferred Stock, a dividend on each outstanding share of Series B Preferred Stock in an amount at least equal to (i) the amount of the aggregate Accruing Dividends then accrued on such share of Series B Preferred Stock and not previously paid plus (ii) (A) in the case of a dividend on Common Stock or any class or series that is convertible into Common Stock, that dividend per share of Series B Preferred Stock as would equal the product of (1) the dividend payable on each share of such class or series determined, if applicable, as if all such shares of such class or series had been converted into Common Stock and (2) the number of shares of Common Stock issuable upon conversion of a share of Series B Preferred Stock, in each case calculated on the record date for determination of holders entitled to receive such dividend or (B) in the case of a dividend on any class or series that is not convertible into Common Stock, at a rate per share of Series B Preferred Stock determined by dividing the amount of the dividend payable on each share of such class or series of capital stock by the original issuance price of such class or series of capital stock and multiplying such fraction by an amount equal to $3.3232 per share of Series B Preferred Stock (subject to appropriate adjustment in the event of any stock dividend, stock split, combination or other similar recapitalization affecting such shares) (such amount, as so adjusted from time to time, being hereinafter referred to as the **"Series B Original Issue Price"**).

(f) The Corporation shall not declare, pay or set aside any dividends on any other shares of capital stock of the Corporation (other than dividends on shares of Common

Stock payable in shares of Common Stock) unless the holders of the Series A Preferred Stock then outstanding shall receive, *pari passu* with the holders of the Corporation's Series B Preferred Stock, the holders of the Corporation's Series C Preferred Stock, the holders of the Corporation's Series D Preferred Stock and the holders of the Corporation's Series E Preferred Stock, a dividend on each outstanding share of Series A Preferred Stock in an amount at least equal to (i) the amount of the aggregate Accruing Dividends then accrued on such share of Series A Preferred Stock and not previously paid plus (ii) (A) in the case of a dividend on Common Stock or any class or series that is convertible into Common Stock, that dividend per share of Series A Preferred Stock as would equal the product of (1) the dividend payable on each share of such class or series determined, if applicable, as if all such shares of such class or series had been converted into Common Stock and (2) the number of shares of Common Stock issuable upon conversion of a share of Series A Preferred Stock, in each case calculated on the record date for determination of holders entitled to receive such dividend or (B) in the case of a dividend on any class or series that is not convertible into Common Stock, at a rate per share of Series A Preferred Stock determined by dividing the amount of the dividend payable on each share of such class or series of capital stock by the original issuance price of such class or series of capital stock and multiplying such fraction by an amount equal to, as the case may be, (i) $1.9445 per share of Series A-1 Preferred Stock (subject to appropriate adjustment in the event of any stock dividend, stock split, combination or other similar recapitalization affecting such shares) (such amount, as so adjusted from time to time, being hereinafter referred to as the **"Series A-1 Original Issue Price"**) and (ii) $2.905 per share of Series A-2 Preferred Stock (subject to appropriate adjustment in the event of

any stock dividend, stock split, combination or other similar recapitalization affecting such shares) (such amount, as so adjusted from time to time, being hereinafter referred to as the **"Series A-2 Original Issue Price"**). **"Series A Preferred Original Issue Price"** shall mean the Series A-1 Original Issue Price or the Series A-2 Original Issue Price, as applicable.

"Preferred Stock Original Issue Price" shall mean the Series A-1 Original Issue Price, the Series A-2 Original Issue Price, the Series B Original Issue Price, the Series C Original Issue Price, the Series D Original Issue Price or the Series E Original Issue Price, as applicable.

(g) Accruing Dividends shall not be paid upon the conversion of shares of Preferred Stock pursuant to Sections 4 and 5.

2. Liquidation, Dissolution or Winding Up; Certain Mergers, Consolidations and Asset Sales.

(a) Payments to Holders of Series E Preferred Stock. In the event of any voluntary or involuntary liquidation, dissolution or winding up of the Corporation, the holders of shares of Series E Preferred Stock then outstanding shall be entitled to be paid out of the assets available for distribution to its stockholders, *pari passu* with the holders of the Corporation's Series A Preferred Stock, Series B Preferred Stock, Series C Preferred Stock and Series D Preferred Stock, but before any payment shall be made to the holders of Common Stock or any other class or series of stock ranking on liquidation junior to the Series A Preferred Stock, Series

B Preferred Stock, Series C Preferred Stock, Series D Preferred Stock and Series E Preferred Stock (such Common Stock and other stock being collectively referred to as **"Junior Stock"**) by reason of their ownership thereof, an amount equal to the greater of (i) the applicable Series E Preferred Original Issue Price for such series, plus any Accruing Dividends accrued but unpaid thereon, whether or not declared, together with any other dividends declared but unpaid thereon, or (ii) such amount per share as would have been payable had each such share of Series E Preferred Stock been converted into Common Stock pursuant to Section 4 immediately prior to such liquidation, dissolution or winding up (the amount payable pursuant to this sentence with respect to each series, as applicable, is hereinafter referred to as the **"Series E Liquidation Amount"**). The Series E Preferred Stock shall rank on liquidation on a parity with the Series A Preferred Stock, the Series B Preferred Stock, the Series C Preferred Stock and the Series D Preferred Stock. If upon any such liquidation, dissolution or winding up of the Corporation the remaining assets available for distribution to its stockholders shall be insufficient to pay the holders of shares of Series A Preferred Stock, Series B Preferred Stock, Series C Preferred Stock, Series D Preferred Stock and Series E Preferred Stock the full amount to which they shall be entitled, the holders of shares of Series A Preferred Stock, Series B Preferred Stock, Series C Preferred Stock, Series D Preferred Stock and Series E Preferred Stock shall share ratably in any distribution of the remaining assets available for distribution in proportion to the respective amounts which would otherwise be payable in respect of the shares held by them upon such distribution if all amounts payable on or with respect to such shares were paid in full.

(b) Payments to Holders of Series D Preferred Stock. In the event of any voluntary or involuntary liquidation, dissolution or winding up of the Corporation, the holders of shares of Series D Preferred Stock then outstanding shall be entitled to be paid out of the assets available for distribution to its stockholders, *pari passu* with the holders of the Corporation's Series A Preferred Stock, Series B Preferred Stock, Series C Preferred Stock and Series E Preferred Stock, but before any payment shall be made to the holders of Junior Stock by reason of their ownership thereof, an amount equal to the greater of (i) the applicable Series D Preferred Original Issue Price for such series, plus any Accruing Dividends accrued but unpaid thereon, whether or not declared, together with any other dividends declared but unpaid thereon, or (ii) such amount per share as would have been payable had each such share of Series D Preferred Stock been converted into Common Stock pursuant to Section 4 immediately prior to such liquidation, dissolution or winding up (the amount payable pursuant to this sentence with respect to each series, as applicable, is hereinafter referred to as the **"Series D Liquidation Amount"**). The Series D Preferred Stock shall rank on liquidation on a parity with the Series A Preferred Stock, the Series B Preferred Stock, the Series C Preferred Stock and the Series E Preferred Stock. If upon any such liquidation, dissolution or winding up of the Corporation the remaining assets available for distribution to its stockholders shall be insufficient to pay the holders of shares of Series A Preferred Stock, Series B Preferred Stock, Series C Preferred Stock, Series D Preferred Stock and Series E Preferred Stock the full amount to which they shall be entitled, the holders of shares of Series A Preferred Stock, Series B Preferred Stock, Series C Preferred Stock, Series D Preferred Stock and Series E Preferred Stock shall share ratably in any distribution of the remaining assets available for distribution in proportion to the respective amounts which

would otherwise be payable in respect of the shares held by them upon such distribution if all amounts payable on or with respect to such shares were paid in full.

(c) Payments to Holders of Series C Preferred Stock. In the event of any voluntary or involuntary liquidation, dissolution or winding up of the Corporation, the holders of shares of Series C Preferred Stock then outstanding shall be entitled to be paid out of the assets available for distribution to its stockholders, *pari passu* with the holders of the Corporation's Series A Preferred Stock, Series B Preferred Stock, Series D Preferred Stock and Series E Preferred Stock, but before any payment shall be made to the holders of Junior Stock by reason of their ownership thereof, an amount equal to the greater of (i) the applicable Series C Preferred Original Issue Price for such series, plus any Accruing Dividends accrued but unpaid thereon, whether or not declared, together with any other dividends declared but unpaid thereon, or (ii) such amount per share as would have been payable had each such share of Series C Preferred Stock been converted into Common Stock pursuant to Section 4 immediately prior to such liquidation, dissolution or winding up (the amount payable pursuant to this sentence with respect to each series, as applicable, is hereinafter referred to as the **"Series C Liquidation Amount"**). The Series C Preferred Stock shall rank on liquidation on a parity with the Series A Preferred Stock, the Series B Preferred Stock, the Series D Preferred Stock and the Series E Preferred Stock. If upon any such liquidation, dissolution or winding up of the Corporation the remaining assets available for distribution to its stockholders shall be insufficient to pay the holders of shares of Series A Preferred Stock, Series B Preferred Stock, Series C Preferred Stock, Series D Preferred Stock and Series E Preferred Stock the full amount to which they shall be entitled, the holders of shares of Series A Preferred Stock, Series B Preferred Stock, Series C Preferred Stock, Series D Preferred Stock and Series E Preferred Stock shall share ratably in any distribution of the remaining assets available for distribution in proportion to the respective amounts which would otherwise be payable in respect of the shares held by them upon such distribution if all amounts payable on or with respect to such shares were paid in full.

(d) Payments to Holders of Series B Preferred Stock. In the event of any voluntary or involuntary liquidation, dissolution or winding up of the Corporation, the holders of shares of Series B Preferred Stock then outstanding shall be entitled to be paid out of the assets available for distribution to its stockholders, *pari passu* with the holders of the Corporation's Series A Preferred Stock, Series C Preferred Stock, Series D Preferred Stock and Series E Preferred Stock, but before any payment shall be made to the holders of Junior Stock by reason of their ownership thereof, an amount equal to the greater of (i) the applicable Series B Preferred Original Issue Price for such series, plus any Accruing Dividends accrued but unpaid thereon, whether or not declared, together with any other dividends declared but unpaid thereon, or (ii) such amount per share as would have been payable had each such share of Series B Preferred Stock been converted into Common Stock pursuant to Section 4 immediately prior to such liquidation, dissolution or winding up (the amount payable pursuant to this sentence with respect to each series, as applicable, is hereinafter referred to as the **"Series B Liquidation Amount"**). The Series B Preferred Stock shall rank on liquidation on a parity with the Series A Preferred Stock, the Series C Preferred Stock, the Series D Preferred Stock and the Series E Preferred Stock. If upon any such liquidation, dissolution or winding up of the Corporation the remaining

assets available for distribution to its stockholders shall be insufficient to pay the holders of shares of Series A Preferred Stock, Series B Preferred Stock, Series C Preferred Stock, Series D Preferred Stock and Series E Preferred Stock the full amount to which they shall be entitled, the holders of shares of Series A Preferred Stock, Series B Preferred Stock, Series C Preferred Stock, Series D Preferred Stock and Series E Preferred Stock shall share ratably in any distribution of the remaining assets available for distribution in proportion to the respective amounts which would otherwise be payable in respect of the shares held by them upon such distribution if all amounts payable on or with respect to such shares were paid in full.

(e) Payments to Holders of Series A Preferred Stock. In the event of any voluntary or involuntary liquidation, dissolution or winding up of the Corporation, the holders of shares of each series of Series A Preferred Stock then outstanding shall be entitled to be paid out of the assets available for distribution to its stockholders, *pari passu* with the holders of the Corporation's Series B Preferred Stock, Series C Preferred Stock, Series D Preferred Stock and Series E Preferred Stock, but before any payment shall be made to the holders of Junior Stock by reason of their ownership thereof, an amount equal to the greater of (i) the applicable Series A Preferred Original Issue Price for such series, plus any Accruing Dividends accrued but unpaid thereon, whether or not declared, together with any other dividends declared but unpaid thereon, or (ii) such amount per share as would have been payable had each such share of Series A Preferred Stock been converted into Common Stock pursuant to Section 4 immediately prior to such liquidation, dissolution or winding up (the amount payable pursuant to this sentence with respect to each series, as applicable, is hereinafter referred to as the **"Series A Liquidation Amount"**). Each series of Series A Preferred Stock shall rank on liquidation on a parity with the other series of Series A Preferred Stock and the Series A Preferred Stock shall rank on liquidation on a parity with the Series B Preferred Stock, the Series C Preferred Stock, the Series D Preferred Stock and the Series E Preferred Stock. If upon any such liquidation, dissolution or winding up of the Corporation the remaining assets available for distribution to its stockholders shall be insufficient to pay the holders of shares of Series A Preferred Stock, Series B Preferred Stock, Series C Preferred Stock, Series D Preferred Stock and Series E Preferred Stock the full amount to which they shall be entitled, the holders of shares of Series A Preferred Stock, Series B Preferred Stock, Series C Preferred Stock, Series D Preferred Stock and Series E Preferred Stock shall share ratably in any distribution of the remaining assets available for distribution in proportion to the respective amounts which would otherwise be payable in respect of the shares held by them upon such distribution if all amounts payable on or with respect to such shares were paid in full.

(f) Payments to Holders of Common Stock. After the payment of all preferential amounts required to be paid to the holders of Series A Preferred Stock, Series B Preferred Stock, Series C Preferred Stock, Series D Preferred Stock and Series E Preferred Stock, the holders of shares of Common Stock then outstanding shall be entitled to receive the remaining assets of the Corporation available for distribution to its stockholders as set forth in this Restated Certificate of Incorporation.

(g) Deemed Liquidation Events.

(i) The following events shall be deemed to be a liquidation of the Corporation for purposes of this Section 2 (a **"Deemed Liquidation Event"**), unless the holders of at least a majority (50%) of the outstanding shares of Series A Preferred Stock, Series B Preferred Stock, Series C Preferred Stock, Series D Preferred Stock and Series E Preferred Stock, voting together as a class, elect otherwise by written notice given to the Corporation at least two (2) days prior to the effective date of any such event:

(A) a merger or consolidation in which

(I) the Corporation is a constituent party or

(II) a subsidiary of the Corporation is a constituent party and the Corporation issues shares of its capital stock pursuant to such merger or consolidation,

except any such merger or consolidation involving the Corporation or a subsidiary in which the shares of capital stock of the Corporation outstanding immediately prior to such merger or consolidation continue to represent, or are converted or exchanged for shares of capital stock which represent, immediately following such merger or consolidation at least a majority, by voting power, of the capital stock of (1) the surviving or resulting corporation or (2) if the surviving or resulting corporation is a wholly owned subsidiary of another corporation immediately following such merger or consolidation, the parent corporation of such surviving or resulting corporation (provided that, for the purpose of this Subsection 2(g)(i), all shares of Common Stock issuable upon exercise of Options outstanding immediately prior to such merger or consolidation or upon conversion of Convertible Securities outstanding immediately prior to such merger or consolidation shall be deemed to be outstanding immediately prior to such merger or consolidation and, if applicable, converted or exchanged in such merger or consolidation on the same terms as the actual outstanding shares of Common Stock are converted or exchanged); or

(B) the sale, lease, transfer, exclusive license or other disposition, in a single transaction or series of related transactions, by the Corporation or any subsidiary of the Corporation of all or substantially all the assets of the Corporation and its subsidiaries taken as a whole except where such sale, lease, transfer or other disposition is to a wholly owned subsidiary of the Corporation.

(ii) The Corporation shall not have the power to effect any transaction constituting a Deemed Liquidation Event pursuant to Subsection 2(g)(i)(A)(I) above unless the agreement or plan of merger or consolidation provides that the consideration payable to the stockholders of the Corporation shall be allocated among the holders of capital stock of the Corporation in accordance with Subsections (a), (b), (c), (d), (e), and (f) above.

(iii) In the event of a Deemed Liquidation Event pursuant to Subsection 2(g)(i)(A)(II) or 2(g)(i)(B) above, if the Corporation does not effect a dissolution of the Corporation under the General Corporation Law of the State of Delaware within sixty (60) days after such Deemed Liquidation Event, then (A) the Corporation shall deliver a written notice to each holder of Series A Preferred Stock, Series B Preferred Stock, Series C Preferred Stock, Series D Preferred Stock and Series E Preferred Stock no later than the sixtieth (60^{th}) day after the Deemed Liquidation Event advising such holders of their right (and the requirements to be met to secure such right) pursuant to the terms of the following clause (B) to require the redemption of such shares of Series A Preferred Stock, Series B Preferred Stock, Series C Preferred Stock, Series D Preferred Stock and Series E Preferred Stock, and (B) if the holders of at least a majority (50%) of the Series A Preferred Stock, Series B Preferred Stock, Series C Preferred Stock, Series D Preferred Stock and Series E Preferred Stock then outstanding, voting together as a class, so request in a written instrument delivered to the Corporation not later than seventy-five (75) days after such Deemed Liquidation Event, the Corporation shall use the consideration received by the Corporation for such Deemed Liquidation Event (net of any retained liabilities associated with the assets sold or technology licensed, as determined in good faith by the Board of Directors of the Corporation) (the **"Net Proceeds"**) to redeem, to the extent legally available therefor, on the 90th day after such Deemed Liquidation Event (the **"Liquidation Redemption Date"**), on a *pari passu* basis, all outstanding shares of Series A Preferred Stock at a price per share equal to the applicable Series A Liquidation Amount, all outstanding shares of Series B Preferred Stock at a price per share equal to the applicable Series B Liquidation Amount, all outstanding shares of Series C Preferred Stock at a price per share equal to the applicable Series C Liquidation Amount, all outstanding shares of Series D Preferred Stock at a price per share equal to the applicable Series D Liquidation Amount, and all outstanding shares of Series E Preferred Stock at a price per share equal to the applicable Series E Liquidation Amount. In the event of a redemption pursuant to the preceding sentence, if the Net Proceeds are not sufficient to redeem all outstanding shares of Series A Preferred Stock, Series B Preferred Stock, Series C Preferred Stock, Series D Preferred Stock and Series E Preferred Stock, or if the Corporation does not have sufficient lawfully available funds to effect such redemption, the Corporation shall redeem a *pro rata* portion of each holder's shares of Series A Preferred Stock, Series B Preferred Stock, Series C Preferred Stock, Series D Preferred Stock and Series E Preferred Stock to the fullest extent of such Net Proceeds or such lawfully available funds, as the case may be, and, where such redemption is limited by the amount of lawfully available funds, the Corporation shall deem the remaining shares to have been redeemed as soon as practicable after the Corporation has funds legally available therefor. The provisions of Subsections 6(b) through 6(e) below shall apply, with such necessary changes in the details thereof as are necessitated by the context, to the redemption of the Series A Preferred Stock, Series B Preferred Stock, Series C Preferred Stock, Series D Preferred Stock and Series E Preferred Stock pursuant to this Subsection 2(g)(iii). Prior to the distribution or redemption provided for in this Subsection 2(g)(iii), the Corporation shall not expend or dissipate the consideration received for such Deemed Liquidation Event, except to discharge expenses incurred in the ordinary course of business.

(iv) The amount deemed paid or distributed to the holders of capital stock of the Corporation upon any such merger, consolidation, sale, transfer, exclusive license, other disposition or redemption shall be the cash or the value of the property, rights or securities paid or distributed to such holders by the Corporation or the acquiring person, firm or other entity. The value of such property, rights or securities shall be determined in good faith by the Board of Directors of the Corporation.

3. Voting.

(a) Provided that any shares of Series E Preferred Stock (subject to appropriate adjustment in the event of any dividend, stock split, combination or other similar recapitalization affecting such shares) remain outstanding, then on any matter presented to the stockholders of the Corporation for their action or consideration at any meeting of stockholders of the Corporation (or by written consent of stockholders in lieu of meeting), each holder of outstanding shares of Series E Preferred Stock shall be entitled to cast the number of votes equal to the number of whole shares of Common Stock into which the shares of Series E Preferred Stock held by such holder are convertible as of the record date for determining stockholders entitled to vote on such matter. Except as provided by law or otherwise provided herein, holders of Series E Preferred Stock shall vote together with the holders of Series A Preferred Stock, Series B Preferred Stock, Series C Preferred Stock, Series D Preferred Stock, any other series of Preferred Stock and Common Stock, as a single class.

(b) Provided that any shares of Series D Preferred Stock (subject to appropriate adjustment in the event of any dividend, stock split, combination or other similar recapitalization affecting such shares) remain outstanding, then on any matter presented to the stockholders of the Corporation for their action or consideration at any meeting of stockholders of the Corporation (or by written consent of stockholders in lieu of meeting), each holder of outstanding shares of Series D Preferred Stock shall be entitled to cast the number of votes equal to the number of whole shares of Common Stock into which the shares of Series D Preferred Stock held by such holder are convertible as of the record date for determining stockholders entitled to vote on such matter. Except as provided by law or otherwise provided herein, holders of Series D Preferred Stock shall vote together with the holders of Series A Preferred Stock, Series B Preferred Stock, Series C Preferred Stock, Series E Preferred Stock, any other series of Preferred Stock and Common Stock, as a single class.

(c) Provided that any shares of Series C Preferred Stock (subject to appropriate adjustment in the event of any dividend, stock split, combination or other similar recapitalization affecting such shares) remain outstanding, then on any matter presented to the stockholders of the Corporation for their action or consideration at any meeting of stockholders of the Corporation (or by written consent of stockholders in lieu of meeting), each holder of outstanding shares of Series C Preferred Stock shall be entitled to cast the number of votes equal to the number of whole shares of Common Stock into which the shares of Series C Preferred Stock held by such holder are convertible as of the record date for determining stockholders entitled to vote on such matter. Except as provided by law or otherwise provided herein, holders

of Series C Preferred Stock shall vote together with the holders of Series A Preferred Stock, Series B Preferred Stock, Series D Preferred Stock, Series E Preferred Stock, any other series of Preferred Stock and Common Stock, as a single class.

(d) Provided that any shares of Series B Preferred Stock (subject to appropriate adjustment in the event of any dividend, stock split, combination or other similar recapitalization affecting such shares) remain outstanding, then on any matter presented to the stockholders of the Corporation for their action or consideration at any meeting of stockholders of the Corporation (or by written consent of stockholders in lieu of meeting), each holder of outstanding shares of Series B Preferred Stock shall be entitled to cast the number of votes equal to the number of whole shares of Common Stock into which the shares of Series B Preferred Stock held by such holder are convertible as of the record date for determining stockholders entitled to vote on such matter. Except as provided

by law or otherwise provided herein, holders of Series B Preferred Stock shall vote together with the holders of Series A Preferred Stock, Series C Preferred Stock, Series D Preferred Stock, Series E Preferred Stock, any other series of Preferred Stock and Common Stock, as a single class.

(e) Provided that any shares of Series A Preferred Stock (subject to appropriate adjustment in the event of any dividend, stock split, combination or other similar recapitalization affecting such shares) remain outstanding, then on any matter presented to the stockholders of the Corporation for their action or consideration at any meeting of stockholders of the Corporation (or by written consent of stockholders in lieu of meeting), each holder of outstanding shares of Series A Preferred Stock shall be entitled to cast the number of votes equal to the number of whole shares of Common Stock into which the shares of Series A Preferred Stock held by such holder are convertible as of the record date for determining stockholders entitled to vote on such matter. Except as provided by law or otherwise provided herein, holders of Series A Preferred Stock shall vote together with the holders of Series B Preferred Stock, Series C Preferred Stock, Series D Preferred Stock, Series E Preferred Stock, any other series of Preferred Stock and Common Stock, as a single class.

(f) The holders of record of the shares of Series A Preferred Stock, Series B Preferred Stock, Series C Preferred Stock, Series D Preferred Stock and Series E Preferred Stock, as a single class, shall be entitled to elect six (6) directors of the Corporation (the **"Preferred Directors"**). Any director elected as provided in the preceding sentence may be removed without cause by, and only by, the affirmative vote of the holders of the shares of the class or series of stock entitled to elect such director or directors, given either at a special meeting of such stockholders duly called for that purpose or pursuant to a written consent of stockholders. At any meeting held for the purpose of electing a director, the presence in person or by proxy of the holders of a majority of the outstanding shares of the class or series entitled to elect such director shall constitute a quorum for the purpose of electing such director. A vacancy in any directorship filled by the holders of such class or series shall be filled only by vote or written consent in lieu of a meeting of the holders of such class or series or by any remaining director or directors elected by the holders of such class or series pursuant to this Subsection 3(f).

(g) At any time when any shares of Series A Preferred Stock, Series B Preferred Stock, Series C Preferred Stock, Series D Preferred Stock or Series E Preferred Stock (subject to appropriate adjustment in the event of any dividend, stock split, combination or other similar recapitalization affecting such shares) are outstanding, except where the vote or written consent of the holders of a greater number of shares of the Corporation is required by law or by the Restated Certificate of Incorporation, and in addition to any other vote required by law or the Restated Certificate of Incorporation, without the written consent or affirmative vote of the holders of a majority of the Series A Preferred Stock, Series B Preferred Stock, Series C Preferred Stock, Series D Preferred Stock and Series E Preferred Stock then outstanding, given in writing or by vote at a meeting, consenting or voting (as the case may be) together as a single class, the Corporation shall not, either directly or by amendment, merger, consolidation, capital reorganization or otherwise:

(i) Alter, repeal or change the rights, preferences or privileges common to the Series A Preferred Stock, Series B Preferred Stock, Series C Preferred Stock, Series D Preferred Stock or Series E Preferred Stock through a merger, consolidation, capital reorganization or otherwise;

(ii) Amend or repeal any provision of, add any provision to or alter, the Corporation's Restated Certificate of Incorporation or By-laws, whether by merger, consolidation or otherwise;

(iii) Create any additional class or series of shares of stock, unless the same ranks junior to the Series A Preferred Stock, Series B Preferred Stock, Series C Preferred Stock, Series D Preferred Stock and Series E Preferred Stock with respect to the distribution of assets on the liquidation, dissolution or winding up of the Corporation and with respect to the payment of dividends and redemption rights, or increase the authorized number of shares of Series A Preferred Stock, Series B Preferred Stock, Series C Preferred Stock, Series D Preferred Stock or Series E Preferred Stock, or increase the authorized number of shares of any additional class or series of shares of stock unless the same ranks junior to the Series A Preferred Stock, Series B Preferred Stock, Series C Preferred Stock, Series D Preferred Stock and Series E Preferred Stock with respect to the distribution of assets on the liquidation, dissolution or winding up of the Corporation and with respect to the payment of dividends and redemption rights, or create or authorize any obligation or security convertible into shares of any class or series of stock unless the same ranks junior to the Series A Preferred Stock, Series B Preferred Stock, Series C Preferred Stock, Series D Preferred Stock and Series E Preferred Stock with respect to the distribution of assets on the liquidation, dissolution or winding up of the Corporation and with respect to the payment of dividends and redemption rights;

(iv) Effect a change of control, liquidation, merger, reincorporation, recapitalization, or sale or other transfer of a substantial part of the Corporation's or any of its subsidiary's assets other than sales of inventory in the ordinary course of business; or

(v) Effect any acquisition of the capital stock of another entity which results in the consolidation of that entity into the results of operations of the Corporation or any acquisition of all or substantially all of the assets of another entity.

(h) At any time when any shares of Series A Preferred Stock, Series B Preferred Stock, Series C Preferred Stock, Series D Preferred Stock or Series E Preferred Stock (subject to appropriate adjustment in the event of any dividend, stock split, combination or other similar recapitalization affecting such shares) are outstanding, in addition to any other vote required by law or the Restated Certificate of Incorporation, without the written consent or affirmative vote of either (X) the holders of a majority of the Series A Preferred Stock, Series B Preferred Stock, Series C Preferred Stock, Series D Preferred Stock and Series E Preferred Stock, given in writing or by vote at a meeting, consenting or voting (as the case may be) together as a single class or (Y) approval by the Board of Directors, including the affirmative vote of at least four of the Preferred Directors, the Corporation shall not, either directly or by amendment, merger, consolidation, capital reorganization or otherwise:

(i) Incur or permit any subsidiary of the Corporation to incur aggregate indebtedness in excess of $250,000, other than trade credit incurred in the ordinary course of business;

(ii) Create a new plan or arrangement for the grant of stock options or the issuance of restricted stock or increases the number of shares available under such plan or arrangement;

(iii) Increase or decrease the authorized number of directors constituting the Board of Directors; or

(iv) Pay or declare any dividend or distribution on any shares of the Corporation's capital stock (except dividends payable solely in shares of Common Stock) or apply any of the Corporation's assets to the redemption or repurchase of the Corporation's capital stock (except for redemption of the Series A Preferred Stock, Series B Preferred Stock, Series C Preferred Stock, Series D Preferred Stock or Series E Preferred Stock as contemplated herein or for the repurchase of shares of Common Stock at cost subject to a lapsing repurchase right in favor of the Corporation).

(i) So long as any shares of Series A Preferred Stock remain outstanding, the Corporation shall not, without the vote or written consent by the holders of at least sixty-six percent (66%) of the then outstanding shares of the Series A Preferred Stock, (i) amend, alter, repeal or waive any provisions of this Restated Certificate of Incorporation so as to alter or amend the rights, preferences, privileges or limitations of the Series A Preferred Stock (whether by merger, consolidation or otherwise) so as to adversely affect the relative rights, preferences, privileges or limitations of the Series A Preferred Stock in a manner substantially different than the Series B Preferred Stock, Series C Preferred Stock, Series D Preferred Stock or Series E Preferred Stock or (ii) amend Subsection 7.

(j) So long as any shares of Series B Preferred Stock remain outstanding, the Corporation shall not, without the vote or written consent by the holders of at least sixty-six percent (66%) of the then outstanding shares of the Series B Preferred Stock, (i) amend, alter, repeal or waive any provisions of this Restated Certificate of Incorporation so as to alter or amend the rights, preferences, privileges or limitations of the Series B Preferred Stock (whether by merger, consolidation or otherwise) so as to adversely affect the relative rights, preferences, privileges or limitations of the Series B Preferred Stock in a manner substantially different than the Series A Preferred Stock, Series C Preferred Stock, Series D Preferred Stock or Series E Preferred Stock or (ii) amend Subsection 7.

(k) So long as any shares of Series C Preferred Stock remain outstanding, the Corporation shall not, without the vote or written consent by the holders of at least seventy-five percent (75%) of the then outstanding shares of the Series C Preferred Stock, (i) amend, alter, repeal or waive any provisions of this Restated Certificate of Incorporation so as to alter or amend the rights, preferences, privileges or limitations of the Series C Preferred Stock (whether by merger, consolidation or otherwise) so as to adversely affect the relative rights, preferences, privileges or limitations of the Series C Preferred Stock in a manner substantially different than the Series A Preferred Stock, Series B Preferred Stock, Series D Preferred Stock or Series E Preferred Stock or (ii) amend Subsection 7.

(l) So long as any shares of Series D Preferred Stock remain outstanding, the Corporation shall not, without the vote or written consent by the holders of a majority of the then outstanding shares of the Series D Preferred Stock, (i) amend, alter, repeal or waive any provisions of this Restated Certificate of Incorporation so as to alter or amend the rights, preferences, privileges or limitations of the Series D Preferred Stock (whether by merger, consolidation or otherwise) so as to adversely affect the relative rights, preferences, privileges or limitations of the Series D Preferred Stock in a manner substantially different than the Series A Preferred Stock, Series B Preferred Stock, Series C Preferred Stock or Series E Preferred Stock or (ii) amend Subsection 7.

(m) So long as any shares of Series E Preferred Stock remain outstanding, the Corporation shall not, without the vote or written consent by the holders of a majority of the then outstanding shares of the Series E Preferred Stock, amend, alter, repeal or waive any provisions of this Restated Certificate of Incorporation so as to alter or amend the rights, preferences, privileges or limitations of the Series E Preferred Stock (whether by merger, consolidation or otherwise) so as to adversely affect the relative rights, preferences, privileges or limitations of the Series E Preferred Stock in a manner substantially different than the Series A Preferred Stock, Series B Preferred Stock, Series C Preferred Stock or Series D Preferred Stock.

4. Optional Conversion.

The holders of the Preferred Stock shall have conversion rights as follows (the **"Conversion Rights"**):

(a) Right to Convert.

(i) Each share of Series A Preferred Stock shall be convertible, at the option of the holder thereof, at any time and from time to time, and without the payment of additional consideration by the holder thereof, into such number of fully paid and nonassessable shares of Common Stock as is determined by dividing, as the case may be, (i) $1.9445 by the Series A-1 Conversion Price (as defined below) in effect at the time of conversion and, (ii) $2.905 by the Series A-2 Conversion Price (as defined below) in effect at the time of conversion. The **"Series A-1 Conversion Price"** shall initially be equal to the Series A-1 Original Issue Price. The **"Series A-2 Conversion Price"** shall initially be equal to the Series A-2 Original Issue Price. The **"Series A Preferred Conversion Price"** shall mean the Series A-1 Conversion Price and the Series A-2 Conversion Price as applicable. Such initial Series A Preferred Conversion Price, and the rate at which shares of Series A Preferred Stock may be converted into shares of Common Stock, shall be subject to adjustment as provided below.

(ii) Each share of Series B Preferred Stock shall be convertible, at the option of the holder thereof, at any time and from time to time, and without the payment of additional consideration by the holder thereof, into such number of fully paid and nonassessable shares of Common Stock as is determined by dividing (i) $3.3232 by the Series B Conversion Price (as defined below) in effect at the time of conversion. The **"Series B Conversion Price"** shall initially be equal to the Series B Original Issue Price. Such initial Series B Conversion Price, and the rate at which shares of Series B Preferred Stock may be converted into shares of Common Stock, shall be subject to adjustment as provided below.

(iii) Each share of Series C Preferred Stock shall be convertible, at the option of the holder thereof, at any time and from time to time, and without the payment of additional consideration by the holder thereof, into such number of fully paid and nonassessable shares of Common Stock as is determined by dividing (i) $3.6608 by the Series C Conversion Price (as defined below) in effect at the time of conversion. The **"Series C Conversion Price"** shall initially be equal to the Series C Original Issue Price. Such initial Series C Conversion Price, and the rate at which shares of Series C Preferred Stock may be converted into shares of Common Stock, shall be subject to adjustment as provided below.

(iv) Each share of Series D Preferred Stock shall be convertible, at the option of the holder thereof, at any time and from time to time, and without the payment of additional consideration by the holder thereof, into such number of fully paid and nonassessable shares of Common Stock as is determined by dividing (i) $4.55 by the Series D Conversion Price (as defined below) in effect at the time of conversion. The **"Series D Conversion Price"** shall initially be equal to the Series D Original Issue Price. Such initial Series D Conversion Price, and the rate at which shares of Series D Preferred Stock may be converted into shares of Common Stock, shall be subject to adjustment as provided below.

(v) Each share of Series E Preferred Stock shall be convertible, at the option of the holder thereof, at any time and from time to time, and without the payment of

additional consideration by the holder thereof, into such number of fully paid and nonassessable shares of Common Stock as is determined by dividing (i) $5.7712 by the Series E Conversion Price (as defined below) in effect at the time of conversion. The **"Series E Conversion Price"** shall initially be equal to the Series E Original Issue Price. Such initial Series E Conversion Price, and the rate at which shares of Series E Preferred Stock may be converted into shares of Common Stock, shall be subject to adjustment as provided below. The conversion price as then in effect with respect to each share of Preferred Stock is hereinafter referred to as the **"Conversion Price."**

(vi) In the event of a notice of redemption of any shares of Preferred Stock pursuant to Section 6 hereof, the Conversion Rights of the shares designated for redemption shall terminate at the close of business on the last full day preceding the date fixed for redemption, unless the redemption price is not paid on such redemption date, in which case the Conversion Rights for such shares shall continue until such price is paid in full. In the event of a liquidation, dissolution or winding up of the Corporation or a Deemed Liquidation Event, the Conversion Rights shall terminate at the close of business on the last full day preceding the date fixed for the payment of any such amounts distributable on such event to the holders of Preferred Stock.

(b) Fractional Shares. No fractional shares of Common Stock shall be issued upon conversion of the Preferred Stock. In lieu of any fractional shares to which the holder would otherwise be entitled, the Corporation shall pay cash equal to such fraction multiplied by the fair market value of a share of Common Stock as determined in good faith by the Board of Directors of the Corporation. Whether or not fractional shares would be issuable upon such conversion shall be determined on the basis of the total number of shares of Preferred Stock the holder is at the time converting into Common Stock and the aggregate number of shares of Common Stock issuable upon such conversion.

(c) Mechanics of Conversion.

(i) In order for a holder of Preferred Stock to voluntarily convert shares of Preferred Stock into shares of Common Stock, such holder shall surrender the certificate or certificates for such shares of Preferred Stock (or, if such registered holder alleges that such certificate has been lost, stolen or destroyed, a lost certificate affidavit and agreement reasonably acceptable to the Corporation to indemnify the Corporation against any claim that may be made against the Corporation on account of the alleged loss, theft or destruction of such certificate), at the office of the transfer agent for the Preferred Stock (or at the principal office of the Corporation if the Corporation serves as its own transfer agent), together with written notice that such holder elects to convert all or any number of the shares of the Preferred Stock represented by such certificate or certificates and, if applicable, any event on which such conversion is contingent. Such notice shall state such holder's name or the names of the nominees in which such holder wishes the certificate or certificates for shares of Common Stock to be issued. If required by the Corporation, certificates surrendered for conversion shall be endorsed or accompanied by a written instrument or instruments of transfer, in form satisfactory

to the Corporation, duly executed by the registered holder or his, her or its attorney duly authorized in writing. The close of business on the date of receipt by the transfer agent of such certificates (or lost certificate affidavit and agreement) and notice (or by the Corporation if the Corporation serves as its own transfer agent) shall be the time of conversion (the **"Conversion Time"**), and the shares of Common Stock issuable upon conversion of the shares represented by such certificate shall be deemed to be outstanding of record as of such date. The Corporation shall, as soon as practicable after the Conversion Time, issue and deliver at such office to such holder of Preferred Stock, or to his, her or its nominees, a certificate or certificates for the number of shares of Common Stock to which such holder shall be entitled, together with cash in lieu of any fraction of a share.

(ii) The Corporation shall at all times when the Preferred Stock shall be outstanding, reserve and keep available out of its authorized but unissued stock, for the purpose of effecting the conversion of the Preferred Stock, such number of its duly authorized shares of Common Stock as shall from time to time be sufficient to effect the conversion of all outstanding Preferred Stock; and if at any time the number of authorized but unissued shares of Common Stock shall not be sufficient to effect the conversion of all then outstanding shares of Preferred Stock, the Corporation shall take such corporate action as may be necessary to increase its authorized but unissued shares of Common Stock to such number of shares as shall be sufficient for such purposes, including, without limitation, engaging in best efforts to obtain the requisite stockholder approval of any necessary amendment to this Restated Certificate of Incorporation. Before taking any action which would cause an adjustment reducing the applicable Conversion Price below the then par value of the shares of Common Stock issuable upon conversion of the Preferred Stock, the Corporation will take any corporate action which may, in the opinion of its counsel, be necessary in order that the Corporation may validly and legally issue fully paid and nonassessable shares of Common Stock at such adjusted Conversion Price.

(iii) All shares of Preferred Stock which shall have been surrendered for conversion as herein provided shall no longer be deemed to be outstanding and all rights with respect to such shares, including the rights, if any, to receive notices and to vote, shall immediately cease and terminate at the Conversion Time, except only the right of the holders thereof to receive shares of Common Stock in exchange therefor and to receive payment of any dividends declared but unpaid thereon. Any shares of Preferred Stock so converted shall be retired and cancelled and shall not be reissued as shares of such series, and the Corporation (without the need for stockholder action) may from time to time take such appropriate action as may be necessary to reduce the authorized number of shares of Preferred Stock accordingly.

(iv) Upon any such conversion, no adjustment to the applicable Conversion Price shall be made for any declared but unpaid dividends on the Preferred Stock surrendered for conversion or on the Common Stock delivered upon conversion.

(v) The Corporation shall pay any and all issue and other similar taxes that may be payable in respect of any issuance or delivery of shares of Common Stock upon

conversion of shares of Preferred Stock pursuant to this Section 4. The Corporation shall not, however, be required to pay any tax which may be payable in respect of any transfer involved in the issuance and delivery of shares of Common Stock in a name other than that in which the shares of Preferred Stock so converted were registered, and no such issuance or delivery shall be made unless and until the person or entity requesting such issuance has paid to the Corporation the amount of any such tax or has established, to the satisfaction of the Corporation, that such tax has been paid.

(d) Adjustments to Conversion Price for Diluting Issues.

(i) Special Definitions. For purposes of this Section 4, the following definitions shall apply:

(A) **"Option"** shall mean rights, options or warrants to subscribe for, purchase or otherwise acquire Common Stock or Convertible Securities.

(B) **"Series E Original Issue Date"** shall mean the date on which the first share of Series E Convertible Preferred Stock was issued.

(C) **"Convertible Securities"** shall mean any evidences of indebtedness, shares or other securities directly or indirectly convertible into or exchangeable for Common Stock, but excluding Options.

(D) **"Additional Shares of Common Stock"** shall mean all shares of Common Stock issued (or, pursuant to Subsection 4(d)(iii) below, deemed to be issued) by the Corporation after the Series E Original Issue Date, other than the following (**"Exempted Securities"**):

(I) shares of Common Stock issued or deemed issued as a dividend or distribution on Preferred Stock;

(II) shares of Common Stock issued or issuable by reason of a dividend, stock split, split-up or other distribution on shares of Common Stock that is covered by Subsection 4(e), 4(f) or 4(g) below;

(III) shares of Common Stock issued or deemed issued to employees or directors of, or consultants to, the Corporation or any of its subsidiaries pursuant to a plan, agreement or arrangement approved by the Board of Directors of the Corporation, including at least four of the Preferred Directors.

(IV) shares of Common Stock or Convertible Securities actually issued upon the exercise of Options

outstanding as of the Series E Original Issue Date or shares of Common Stock actually issued upon the conversion or exchange of Convertible Securities outstanding as of the Series E Original Issue Date, in each case provided such issuance is pursuant to the terms of such Option or Convertible Security; or

(V) shares of Common Stock issued or issuable to banks, equipment lessors or other financial institutions, or to real property lessors, pursuant to a bona fide debt financing, equipment leasing or real property leasing transaction approved by the Board of Directors of the Corporation, including at least four of the Preferred Directors.

(ii) No Adjustment of Conversion Price. No adjustment in the applicable Conversion Price shall be made as the result of the issuance of Additional Shares of Common Stock if: (a) the consideration per share (determined pursuant to Subsection 4(d)(v)) for such Additional Shares of Common Stock issued or deemed to be issued by the Corporation is equal to or greater than the applicable Conversion Price in effect immediately prior to the issuance or deemed issuance of such Additional Shares of Common Stock, or (b) prior to such issuance or deemed issuance, the Corporation receives written notice from the holders of a majority of the Preferred Stock then outstanding, voting together as a single class, on an as converted basis, agreeing that no such adjustment shall be made as the result of the issuance or deemed issuance of such Additional Shares of Common Stock; provided, however, that with respect to any issuance or deemed issuance of Additional Shares of Common Stock that would result in an adjustment of the Conversion Price of the Series C Preferred Stock (and would not otherwise result in an adjustment of the Series A Preferred Stock or the Series B Preferred Stock), no adjustment to the Conversion Price of the Series C Preferred Stock shall be made if the Corporation receives, in lieu of and not in addition to the written consent of a majority of the Preferred Stock, written notice from the holders of at least seventy-five percent (75%) of the Series C Preferred Stock then outstanding, voting as a separate class on an as converted basis, agreeing that no such adjustment shall be made as the result of the issuance or deemed issuance of such Additional Shares of Common Stock; and provided, further, that with respect to any issuance or deemed issuance of Additional Shares of Common Stock that would result in an adjustment of the Conversion Price of the Series D Preferred Stock, no adjustment to the Conversion Price of the Series D Preferred Stock shall be made if the Corporation receives, in lieu of and not in addition to the written consent of a majority of the Preferred Stock, written notice from the holders of at least a majority of the Series D Preferred Stock then outstanding, voting as a separate class on an as converted basis, agreeing that no such adjustment shall be made as the result of the issuance or deemed issuance of such Additional Shares of Common Stock; provided, further, that with respect to any issuance or deemed issuance of Additional Shares of Common Stock that would result in an adjustment of the Conversion Price of the Series E Preferred Stock, no adjustment to the Conversion Price of the Series E Preferred Stock

shall be made if the Corporation receives, in lieu of and not in addition to the written consent of a majority of the Preferred Stock, written notice from the holders of at least a majority of the Series E Preferred Stock then outstanding, voting as a separate class on an as converted basis, agreeing that no such adjustment shall be made as the result of the issuance or deemed issuance of such Additional Shares of Common Stock.

(iii) Deemed Issue of Additional Shares of Common Stock.

(A) If the Corporation at any time or from time to time after the Series E Original Issue Date shall issue any Options or Convertible Securities (excluding Options or Convertible Securities which, upon exercise, conversion or exchange thereof, would entitle the holder thereof to receive Exempted Securities pursuant to Subsections 4(d)(i)(D)(I), (II), (III), (IV) or (V)) or shall fix a record date for the determination of holders of any class of securities entitled to receive any such Options or Convertible Securities, then the maximum number of shares of Common Stock (as set forth in the instrument relating thereto, assuming the satisfaction of any conditions to exercisability, convertibility or exchangeability but without regard to any provision contained therein for a subsequent adjustment of such number) issuable upon the exercise of such Options or, in the case of Convertible Securities and Options therefor, the conversion or exchange of such Convertible Securities, shall be deemed to be Additional Shares of Common Stock issued as of the time of such issue or, in case such a record date shall have been fixed, as of the close of business on such record date.

(B) If the terms of any Option or Convertible Security, the issuance of which resulted in an adjustment to the applicable Conversion Price pursuant to the terms of Subsection 4(d)(iv) below, are revised (either automatically pursuant to the provisions contained therein or as a result of an amendment to such terms) to provide for either (1) any increase or decrease in the number of shares of Common Stock issuable upon the exercise, conversion or exchange of any such Option or Convertible Security or (2) any increase or decrease in the consideration payable to the Corporation upon such exercise, conversion or exchange, then, effective upon such increase or decrease becoming effective, the applicable Conversion Price computed upon the original issue of such Option or Convertible Security (or upon the occurrence of a record date with respect thereto) shall be readjusted to such Conversion Price as would have obtained had such revised terms been in effect upon the original date of issuance of such Option or Convertible Security. Notwithstanding the foregoing, no adjustment pursuant to this clause (B) shall have the effect of increasing the applicable Conversion Price to an amount which exceeds the lower of (i) the applicable Conversion Price on the original adjustment date, or (ii) the applicable Conversion Price that would have resulted from any issuances of Additional Shares of Common Stock between the original adjustment date and such readjustment date.

(C) If the terms of any Option or Convertible Security (excluding Options or Convertible Securities which, upon exercise, conversion or exchange thereof, would entitle the holder thereof to receive Exempted Securities pursuant to Subsections 4(d)(i)(D)(I), (II), (III), (IV) or (V)), the issuance of which did not result in an adjustment to the

applicable Conversion Price pursuant to the terms of Subsection 4(d)(iv) below (either because the consideration per share (determined pursuant to Subsection 4(d)(v) hereof) of the Additional Shares of Common Stock subject thereto was equal to or greater than the applicable Conversion Price then in effect, or because such Option or Convertible Security was issued before the Series E Original Issue Date), are revised after the Series E Original Issue Date (either automatically pursuant to the provisions contained therein or as a result of an amendment to such terms) to provide for either (1) any increase or decrease in the number of shares of Common Stock issuable upon the exercise, conversion or exchange of any such Option or Convertible Security or (2) any increase or decrease in the consideration payable to the Corporation upon such exercise, conversion or exchange, then such Option or Convertible Security, as so amended, and the Additional Shares of Common Stock subject thereto (determined

in the manner provided in Subsection 4(d)(iii)(A) above) shall be deemed to have been issued effective upon such increase or decrease becoming effective. If the change in such Option or Convertible Security causes an adjustment pursuant to this provision and such Option or Convertible Security is then further changed as a result of the adjustments made pursuant to this provision, no further adjustment shall be made hereunder as a result of the further automatic change in such Option or Convertible Security.

(D) Upon the expiration or termination of any unexercised Option or unconverted or unexchanged Convertible Security which resulted (either upon its original issuance or upon a revision of its terms) in an adjustment to the applicable Conversion Price pursuant to the terms of Subsection 4(d)(iv) below, the applicable Conversion Price shall be readjusted to such Conversion Price as would have obtained had such Option or Convertible Security never been issued.

(iv) Adjustment of Conversion Price Upon Issuance of Additional Shares of Common Stock. In the event the Corporation shall at any time after the Series E Original Issue Date issue Additional Shares of Common Stock (including Additional Shares of Common Stock deemed to be issued pursuant to Subsection 4(d)(iii)), without consideration or for a consideration per share less than the applicable Conversion Price in effect immediately prior to such issue, then the applicable Conversion Price shall be reduced, concurrently with such issue, to a price (calculated to the nearest one-hundredth of a cent) determined in accordance with the following formula:

$CP_2 = CP_1 * (A + B) \div (A + C)$

For purposes of the foregoing formula, the following definitions shall apply:

(A) CP_2 shall mean the Conversion Price in effect immediately after such issue of Additional Shares of Common Stock;

(B) CP_1 shall mean the Conversion Price in effect immediately prior to such issue of Additional Shares of Common Stock;

(C) "A" shall mean the number of shares of Common Stock outstanding and deemed outstanding immediately prior to such issue of Additional Shares of Common Stock (treating for this purpose as outstanding all shares of Common Stock issuable upon exercise of Options outstanding immediately prior to such issue or upon conversion of Convertible Securities (including the Preferred Stock) outstanding immediately prior to such issue);

(D) "B" shall mean the number of shares of Common Stock that would have been issued if such Additional Shares of Common Stock had been issued at a price per share equal to CP_1 (determined by dividing the aggregate consideration received by the Corporation in respect of such issue by CP_1); and

(E) "C" shall mean the number of such Additional Shares of Common Stock issued in such transaction.

(v) Determination of Consideration. For purposes of this Subsection 4(d), the consideration received by the Corporation for the issue of any Additional Shares of Common Stock shall be computed as follows:

(A) Cash and Property: Such consideration shall:

(I) insofar as it consists of cash, be computed at the aggregate amount of cash received by the Corporation, excluding amounts paid or payable for accrued interest;

(II) insofar as it consists of property other than cash, be computed at the fair market value thereof at the time of such issue, as determined in good faith by the Board of Directors of the Corporation; and

(III) in the event Additional Shares of Common Stock are issued together with other shares or securities or other assets of the Corporation for consideration which covers both, be the proportion of such consideration so received, computed as provided in clauses (I) and (II) above, as determined in good faith by the Board of Directors of the Corporation.

(B) Options and Convertible Securities. The consideration per share received by the Corporation for Additional Shares of Common Stock deemed to have been issued pursuant to Subsection 4(d)(iii), relating to Options and Convertible Securities, shall be determined by dividing

(I) the total amount, if any, received or receivable by the Corporation as consideration for the issue of such Options or Convertible Securities, plus the minimum aggregate amount of additional consideration (as set forth in the instruments relating thereto, without regard to any provision contained therein for a subsequent adjustment of such consideration) payable to the Corporation upon the exercise of such Options or the conversion or exchange of such Convertible Securities, or in the case of Options for Convertible Securities, the exercise of such Options for Convertible Securities and the conversion or exchange of such Convertible Securities, by

(II) the maximum number of shares of Common Stock (as set forth in the instruments relating thereto, without regard to any provision contained therein for a subsequent adjustment of such number) issuable upon the exercise of such Options or the conversion or exchange of such Convertible Securities.

(vi) Multiple Closing Dates. In the event the Corporation shall issue on more than one date Additional Shares of Common Stock that are a part of one transaction or a series of related transactions and that would result in an adjustment to the applicable Conversion Price pursuant to the terms of Subsection 4(d)(iv) above, and such issuance dates occur within a period of no more than ninety (90) days from the first such issuance to the final such issuance, then, upon the final such issuance, the applicable Conversion Price shall be readjusted to give effect to all such issuances as if they occurred on the date of the first such issuance (and without giving additional effect to any adjustments as a result of any subsequent issuances within such period).

(e) Adjustment for Stock Splits and Combinations. If the Corporation shall at any time or from time to time after the Series E Original Issue Date effect a subdivision of the outstanding Common Stock without a comparable subdivision of the Preferred Stock or combine the outstanding shares of Preferred Stock without a comparable combination of the Common Stock, the applicable Conversion Price in effect immediately before that subdivision or combination shall be proportionately decreased so that the number of shares of Common Stock issuable on conversion of each share of such series shall be increased in proportion to such increase in the aggregate number of shares of Common Stock outstanding. If the Corporation shall at any time or from time to time after the Series E Original Issue Date combine the outstanding shares of Common Stock without a comparable combination of the Preferred Stock or effect a subdivision of the outstanding shares of Preferred Stock without a comparable

subdivision of the Common Stock, the applicable Conversion Price in effect immediately before the combination or subdivision shall be proportionately increased so that the number of shares of Common Stock issuable on conversion of each share of such series shall be decreased in proportion to such decrease in the aggregate number of shares of Common Stock outstanding. Any adjustment under this subsection shall become effective at the close of business on the date the subdivision or combination becomes effective.

(f) Adjustment for Certain Dividends and Distributions. In the event the Corporation at any time or from time to time after the Series E Original Issue Date shall make or issue, or fix a record date for the determination of holders of Common Stock entitled to receive, a dividend or other distribution payable on the Common Stock in additional shares of Common Stock, then and in each such event the applicable Conversion Price in effect immediately before such event shall be decreased as of the time of such issuance or, in the event such a record date shall have been fixed, as of the close of business on such record date, by multiplying such Conversion Price then in effect by a fraction:

(1) the numerator of which shall be the total number of shares of Common Stock issued and outstanding immediately prior to the time of such issuance or the close of business on such record date, and

(2) the denominator of which shall be the total number of shares of Common Stock issued and outstanding immediately prior to the time of such issuance or the close of business on such record date plus the number of shares of Common Stock issuable in payment of such dividend or distribution;

provided, however, that if such record date shall have been fixed and such dividend is not fully paid or if such distribution is not fully made on the date fixed therefor, the applicable Conversion Price shall be recomputed accordingly as of the close of business on such record date and thereafter such Conversion Price shall be adjusted pursuant to this subsection as of the time of actual payment of

such dividends or distributions; and provided further, however, that no such adjustment shall be made if the holders of Preferred Stock simultaneously receive (i) a dividend or other distribution of shares of Common Stock in a number equal to the number of shares of Common Stock as they would have received if all outstanding shares of Preferred Stock had been converted into Common Stock on the date of such event or (ii) a dividend or other distribution of shares of Preferred Stock which are convertible, as of the date of such event, into such number of shares of Common Stock as is equal to the number of additional shares of Common Stock being issued with respect to each share of Common Stock in such dividend or distribution.

(g) Adjustments for Other Dividends and Distributions. In the event the Corporation at any time or from time to time after the Series E Original Issue Date shall make or issue, or fix a record date for the determination of holders of capital stock of the Corporation entitled to receive a dividend or other distribution payable in securities of the Corporation (other

than a distribution of shares of Common Stock in respect of outstanding shares of Common Stock) or in other property and the provisions of Section 1 do not apply to such dividend or distribution, then and in each such event the holders of Preferred Stock shall receive, simultaneously with the distribution to the holders of such capital stock, a dividend or other distribution of such securities or other property in an amount equal to the amount of such securities or other property as they would have received if all outstanding shares of Preferred Stock had been converted into Common Stock on the date of such event.

(h) Adjustment for Merger or Reorganization, etc. Subject to the provisions of Subsection 2(f), if there shall occur any reorganization, recapitalization, reclassification, consolidation or merger involving the Corporation in which the Common Stock (but not the Preferred Stock) is converted into or exchanged for securities, cash or other property (other than a transaction covered by Subsections (e), (f) or (g) of this Section 4), then, following any such reorganization, recapitalization, reclassification, consolidation or merger, each share of Preferred Stock shall thereafter be convertible in lieu of the Common Stock into which it was convertible prior to such event into the kind and amount of securities, cash or other property which a holder of the number of shares of Common Stock of the Corporation issuable upon conversion of one share of Preferred Stock immediately prior to such reorganization, recapitalization, reclassification, consolidation or merger would have been entitled to receive pursuant to such transaction; and, in such case, appropriate adjustment (as determined in good faith by the Board of Directors of the Corporation) shall be made in the application of the provisions in this Section 4 with respect to the rights and interests thereafter of the holders of the Preferred Stock, to the end that the provisions set forth in this Section 4 (including provisions with respect to changes in and other adjustments of the applicable Conversion Price) shall thereafter be applicable, as nearly as reasonably may be, in relation to any securities or other property thereafter deliverable upon the conversion of the Preferred Stock.

(i) Certificate as to Adjustments. Upon the occurrence of each adjustment or readjustment of the applicable Conversion Price pursuant to this Section 4, the Corporation at its expense shall, as promptly as reasonably practicable but in any event not later than ten (10) days thereafter, compute such adjustment or readjustment in accordance with the terms hereof and furnish to each holder of Preferred Stock effected by such adjustment or readjustment a certificate setting forth such adjustment or readjustment (including the kind and amount of securities, cash or other property into which the Preferred Stock is convertible) and showing in detail the facts upon which such adjustment or readjustment is based. The Corporation shall, as promptly as reasonably practicable after the written request at any time of any holder of Preferred Stock (but in any event not later than ten (10) days thereafter), furnish or cause to be furnished to such holder a certificate setting forth (i) the applicable Conversion Price then in effect, and (ii) the number of shares of Common Stock and the amount, if any, of other securities, cash or property which then would be received upon the conversion of Preferred Stock.

(j) Notice of Record Date. In the event:

(i) the Corporation shall take a record of the holders of its Common Stock (or other stock or securities at the time issuable upon conversion of the Preferred Stock) for the purpose of entitling or enabling them to receive any dividend or other distribution, or to receive any right to subscribe for or purchase any shares of stock of any class or any other securities, or to receive any other right; or

(ii) of any capital reorganization of the Corporation, any reclassification of the Common Stock of the Corporation, or any Deemed Liquidation Event; or

(iii) of the voluntary or involuntary dissolution, liquidation or winding-up of the Corporation, then, and in each such case, the Corporation will send or cause to be sent to the holders of the Preferred Stock a notice specifying, as the case may be, (i) the record date for such dividend, distribution or right, and the amount and character of such dividend, distribution or right, or (ii) the effective date on which such reorganization, reclassification, consolidation, merger, transfer, dissolution, liquidation or winding-up is proposed to take place, and the time, if any is to be fixed, as of which the holders of record of Common Stock (or such other stock or securities at the time issuable upon the conversion of the Preferred Stock) shall be entitled to exchange their shares of Common Stock (or such other stock or securities) for securities or other property deliverable upon such reorganization, reclassification, consolidation, merger, transfer, dissolution, liquidation or winding-up, and the amount per share and character of such exchange applicable to the Preferred Stock and the Common Stock. Such notice shall be sent at least ten (10) days prior to the record date or effective date for the event specified in such notice. Any notice required by the provisions hereof to be given to a holder of shares of Preferred Stock shall be deemed sent to such holder if deposited in the United States mail, postage prepaid, and addressed to such holder at his, her or its address appearing on the books of the Corporation.

5. Mandatory Conversion.

(a) Upon the earlier of (A) the closing of the sale of shares of Common Stock to the public, in a firm-commitment underwritten public offering pursuant to an effective registration statement under the Securities Act of 1933, as amended, resulting in at least $40 million of gross proceeds to the Corporation at a price per share of Common Stock of at least $12.4211 (a **"Qualified IPO"**) or (B) a date specified by vote or written consent of the holders of a majority of the Preferred Stock then outstanding (the **"Mandatory Conversion Date"**), voting together as a single class, (i) all outstanding shares of Preferred Stock shall automatically be converted into shares of Common Stock, at the then effective conversion rate and (ii) such shares may not be reissued by the Corporation as shares of such series.

(b) All holders of record of shares of Preferred Stock shall be given written notice of the Mandatory Conversion Date and the place designated for mandatory conversion of all such shares of Preferred Stock pursuant to this Section 5. Such notice need not be given in advance of the occurrence of the Mandatory Conversion Date. Such notice shall be sent by first

class or registered mail, postage prepaid, or given by electronic communication in compliance with the provisions of the General Corporation Law of the State of Delaware, to each record holder of Preferred Stock. Upon receipt of such notice, each holder of shares of Preferred Stock shall surrender his, her or its certificate or certificates for all such shares to the Corporation at the place designated in such notice, and shall thereafter receive certificates for the number of shares of Common Stock to which such holder is entitled pursuant to this Section 5. On the Mandatory Conversion Date, all outstanding shares of Preferred Stock shall be deemed to have been converted into shares of Common Stock, which shall be deemed to be outstanding of record, and all rights with respect to the Preferred Stock so converted, including the rights, if any, to receive notices and vote (other than as a holder of Common Stock), will terminate, except only the rights of the holders thereof, upon surrender of their certificate or certificates therefor, to receive certificates for the number of shares of Common Stock into which such Preferred Stock has been converted, and payment of any declared but unpaid dividends thereon. If so required by the Corporation, certificates surrendered for conversion shall be endorsed or accompanied by written instrument or instruments of transfer, in form satisfactory to the Corporation, duly executed by the registered holder or by his, her or its attorney duly authorized in writing. As soon as practicable after the Mandatory Conversion Date and the surrender of the certificate or certificates for Preferred Stock, the Corporation shall cause to be issued and delivered to such holder, or on his, her or its written order, a certificate or certificates for the number of full shares of Common Stock issuable on such conversion in accordance with the provisions hereof and cash as provided in Subsection 4(b) in respect of any fraction of a share of Common Stock otherwise issuable upon such conversion.

(c) All certificates evidencing shares of Preferred Stock which are required to be surrendered for conversion in accordance with the provisions hereof shall, from and after the Mandatory Conversion Date, be deemed to have been retired and cancelled and the shares of Preferred Stock represented thereby converted into Common Stock for all purposes, notwithstanding the failure of the holder or holders thereof to surrender such certificates on or prior to such date. Such converted Preferred Stock may not be reissued as shares of such Series, and the Corporation may thereafter take such appropriate action (without the need for stockholder action) as may be necessary to reduce the authorized number of shares of Preferred Stock accordingly.

6. Redemption.

(a) Redemption. Shares of Preferred Stock shall be redeemed by the Corporation out of funds lawfully available therefor at a price equal to the Preferred Stock Original Issue Price per share, plus all accrued but unpaid dividends thereon, whether or not declared, together with any other dividends declared but unpaid thereon (the **"Redemption Price"**), in three annual installments commencing sixty (60) days after receipt by the Corporation at any time on or after March 22, 2018, from the holders of at least a majority of the Preferred Stock then outstanding, voting together as a class, of written notice requesting redemption of all shares of Preferred Stock (the date of each such installment being referred to as a **"Redemption Date"**). On each Redemption Date, the Corporation shall redeem, on a *pro rata* basis in

accordance with the number of shares of Preferred Stock owned by each holder, that number of outstanding shares of Preferred Stock determined by dividing (i) the total number of shares of Preferred Stock outstanding immediately prior to such Redemption Date by (ii) the number of remaining Redemption Dates (including the Redemption Date to which such calculation applies); provided, however, that Excluded Shares (as such term is defined in subsection (b) of this Section 6) shall not be redeemed and shall be excluded from the calculations set forth in this sentence. If the Corporation does not have sufficient funds legally available to redeem on any Redemption Date all shares of Preferred Stock and of any other class or series of stock to be redeemed on such Redemption Date, the Corporation shall redeem a *pro rata* portion of each holder's redeemable shares of such stock out of funds legally available therefor, based on the respective amounts which would otherwise be payable in respect of the shares to be redeemed if the legally available funds were sufficient to redeem all such shares, and shall redeem the remaining shares to have been redeemed as soon as practicable after the Corporation has funds legally available therefor.

(b) Redemption Notice. Written notice of the mandatory redemption (the **"Redemption Notice"**) shall be mailed, postage prepaid, to each holder of record of Preferred Stock, at its post office address last shown on the records of the Corporation, or given by electronic communication in compliance with the provisions of the General Corporation Law of the State of Delaware, not less than forty (40) days prior to each Redemption Date. Each Redemption Notice shall state:

(I) the number of shares of Preferred Stock held by the holder that the Corporation shall redeem on the Redemption Date specified in the Redemption Notice;

(II) the Redemption Date and the Redemption Price;

(III) the date upon which the holder's right to convert such shares terminates (as determined in accordance with Section 4(a)); and

(IV) that the holder is to surrender to the Corporation, in the manner and at the place designated, his, her or its certificate or certificates representing the shares of Preferred Stock to be redeemed.

If the Corporation receives, on or prior to the 20th day after the date of delivery of the Redemption Notice to a holder of Preferred Stock, written notice from such holder that such holder elects to be excluded from the redemption provided in this Section 6, then the shares of Preferred Stock registered on the books of the Corporation in the name of such holder at the time of the Corporation's receipt of such notice shall thereafter be **"Excluded Shares"**.

(c) Surrender of Certificates; Payment. On or before the applicable Redemption Date, each holder of shares of Preferred Stock to be redeemed on such Redemption Date, unless such holder has exercised his, her or its right to convert such shares as provided in Section 4 hereof, shall surrender the certificate or certificates representing such shares to the Corporation, in the manner and at the place designated in the Redemption Notice, and thereupon the Redemption Price for such shares shall be payable to the order of the person whose name appears on such certificate or certificates as the owner thereof, and each surrendered certificate shall be canceled and retired. In the event less than all of the shares of Preferred Stock represented by a certificate are redeemed, a new certificate representing the unredeemed shares of Preferred Stock shall promptly be issued to such holder.

(d) Rights Subsequent to Redemption. If the Redemption Notice shall have been duly given, and if on the applicable Redemption Date the Redemption Price payable upon redemption of the shares of Preferred Stock to be redeemed on such Redemption Date is paid or tendered for payment or deposited with an independent payment agent so as to be available therefor, then notwithstanding that the certificates evidencing any of the shares of Preferred Stock so called for redemption shall not have been surrendered, dividends with respect to such shares of Preferred Stock shall cease to accrue after such Redemption Date and all rights with respect to such shares shall forthwith after the Redemption Date terminate, except only the right of the holders to receive the Redemption Price without interest upon surrender of their certificate or certificates therefor.

(e) Redeemed or Otherwise Acquired Shares. Any shares of Preferred Stock which are redeemed or otherwise acquired by the Corporation or any of its subsidiaries shall be automatically and immediately canceled and shall not be reissued, sold or transferred. Neither the Corporation nor any of its subsidiaries may exercise any voting or other rights granted to the holders of Preferred Stock following redemption.

7. Renunciation of Business Opportunities Doctrine. To the maximum extent permitted from time to time under the General Corporation Law of the State of Delaware, the Corporation renounces any interest or expectancy of the Corporation in, or in being offered an opportunity to participate in, business opportunities that are from time to time presented to its officers, directors or stockholders, other than those officers, directors or stockholders who are employees of the Corporation. No amendment or repeal of this Section 7 shall apply to or have any effect on the liability or alleged liability of any officer, director or stockholder of the Corporation for or with respect to any opportunities of which such officer, director or stockholder becomes aware prior to such amendment or repeal. To the fullest extent permitted by law, any person purchasing or otherwise acquiring any interest in any shares of capital stock of the Corporation shall be deemed to have notice of and to have consented to the provisions of this Section 7. As used in this Section 7, "person" shall mean any individual, corporation, general or limited partnership, limited liability company, joint venture, trust association or any other entity.

FIFTH: The Corporation is to have perpetual existence.

SIXTH: For the management of the business and for the conduct of the affairs of the Corporation, and in further definition and not in limitation of the powers of the Corporation and of its directors and of its stockholders or any class thereof, as the case may be, conferred by the State of Delaware, it is further provided that:

a) The management of the business and the conduct of the affairs of the Corporation shall be vested in its Board of Directors. The number of directors which shall constitute the whole Board of Directors shall be fixed by, or in the manner provided in, the By-Laws. The phrase "whole Board" and the phrase "total number of directors" shall be deemed to have the same meaning, to wit, the total number of directors which the Corporation would have if there were no vacancies. No election of directors need be by written ballot.

b) After the original or other By-Laws of the Corporation have been adopted, amended or repealed, as the case may be, in accordance with the provisions of Section 109 of the General Corporation Law of the State of Delaware, and, after the Corporation has received any payment for any of its stock, the power to adopt, amend, or repeal the By-Laws of the Corporation may be exercised by the Board of Directors of the Corporation.

c) The books of the Corporation may be kept at such place within or without the State of Delaware as the By-Laws of the Corporation may provide or as may be designated from time to time by the Board of Directors of the Corporation.

SEVENTH: The Corporation shall, to the fullest extent permitted by Section 145 of the General Corporation Law of the State of Delaware, as the same may be amended and supplemented from time to time, indemnify and advance expenses to, (i) its directors and officers, and (ii) any person who at the request of the Corporation is or was serving as a director, officer, employee or agent of another corporation, partnership, joint venture, trust or other enterprise, from and against any and all of the expenses, liabilities, or other matters referred to in or covered by said section as amended or supplemented (or any successor), provided, however, that except with respect to proceedings to enforce rights to indemnification, the By-Laws of the Corporation may provide that the Corporation shall indemnify any director, officer or such person in connection with a proceeding (or part thereof) initiated by such director, officer or such person only if such proceeding (or part thereof) was authorized by the Board of Directors of the Corporation. The Corporation, by action of its Board of Directors, may provide indemnification or advance expenses to employees and agents of the Corporation or other persons only on such terms and conditions and to the extent determined by the Board of Directors in its sole and absolute discretion. The indemnification provided for herein shall not be deemed exclusive of any other rights to which those indemnified may be entitled under any By-Law, agreement, vote of stockholders or disinterested directors or otherwise, both as to action in their official capacity and as to action in another capacity while holding such office, and shall continue as to a person who has ceased to be a director, officer, employee, or agent and shall inure to the benefit of the heirs, executors and administrators of such a person.

EIGHT: No director of this Corporation shall be personally liable to the Corporation or its stockholders for monetary damages for breach of fiduciary duty as a director except to the extent that exemption from liability or limitation thereof is not permitted under the General Corporation Law of the State of Delaware as in effect at the time such liability or limitation thereof is determined. No amendment, modification or repeal of this Article shall apply to or have any effect on the liability or alleged liability of any director of the Corporation for or with respect to any acts or omissions of such director occurring prior to such amendment, modification or repeal. If the General Corporation Law of the State of Delaware is amended after approval by the stockholders of this Article to authorize corporate action further eliminating or limiting the personal liability of directors, then the liability of a director of the Corporation shall be eliminated or limited to the fullest extent permitted by the General Corporation Law of the State of Delaware, as so amended.

NINETH: Whenever a compromise or arrangement is proposed between this Corporation and its creditors or any class of them and/or between this Corporation and its stockholders or any class of them, any court of equitable jurisdiction within the State of Delaware may, on the application in a summary way of this Corporation or of any creditor or stockholder thereof or on the application of any receiver or receivers appointed for this Corporation under the provisions of Section 291 of Title 8 of the Delaware Code or on the application of trustees in dissolution or of any receiver or receivers appointed for this Corporation under the provisions of Section 279 of Title 8 of the Delaware Code, order a meeting of the creditors or class of creditors, and/or of the stockholders or class of stockholders of this Corporation, as the case may be, to be summoned in such manner as the said court directs. If a majority in number representing three-fourths (3/4) in value of the creditors or class of creditors, and/or of the stockholders or class of stockholders of this Corporation, as the case may be, agree to any compromise or arrangement and to any reorganization of this Corporation as consequence of such compromise or arrangement, the said compromise or arrangement and the said reorganization shall, if sanctioned by the court to which the said application has been made, be binding on all the creditors or class of creditors, and/or on all the stockholders or class of stockholders, of this Corporation, as the case may be, and also on this Corporation.

TENTH: From time to time any of the provisions of this Restated Certificate of Incorporation may be amended, altered or repealed, and other provisions authorized by the laws of the State of Delaware at the time in force may be added or inserted in the manner and at the time prescribed by said laws, and all rights at any time conferred upon the stockholders of the Corporation by this Restated Certificate of Incorporation are granted subject to the provisions of this Article.

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IN WITNESS WHEREOF, the Corporation has caused this Restated Certificate of Incorporation to be signed by its duly authorized officer this 22nd day of March, 2013.

T2 BIOSYSTEMS, INC.

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

CERTIFICATE OF AMENDMENT
TO THE
RESTATED CERTIFICATE OF INCORPORATION
OF
T2 BIOSYSTEMS, INC.

T2 Biosystems, Inc. (the "**Corporation**"), a corporation organized and existing under and by virtue of the General Corporation Law of the State of Delaware, (the "**General Corporation Law**"),

DOES HEREBY CERTIFY AS FOLLOWS:

1. The name of the Corporation is T2 Biosystems, Inc. The original Certificate of Incorporation of the Corporation was filed with the Secretary of State of Delaware on April 27, 2006 under the name Bioplex Systems, Inc.

2. The Certificate of Incorporation of the Corporation was amended and restated, and a Restated Certificate of Incorporation was filed, on March 22, 2013 (the "**Restated Certificate of Incorporation**").

3. This Certificate of Amendment to the Restated Certificate of Incorporation was duly adopted by the Board of Directors and stockholders of the Corporation in accordance with the applicable provisions of Sections 141, 228 and 242 of the General Corporation Law of the State of Delaware.

4. The Restated Certificate of Incorporation is hereby amended by deleting the first paragraph of Article FOURTH in its entirety and by inserting the following in lieu thereof:

> "The Corporation is authorized to issue two classes of stock to be designated, respectively, "**Common Stock**" and "**Preferred Stock**." The aggregate number of shares which the Corporation is authorized to issue is 51,491,117 shares, each with a par value of $0.001 per share. 29,845,958 shares shall be Common Stock and 21,645,159 shares shall be Preferred Stock, each with the par value of $0.001 per share. The Preferred Stock may be issued in one or more series, of which (i) one such series shall be designated the "**Series A-1 Convertible Preferred Stock**" and shall consist of 282,849 shares of Series A-1 Convertible Preferred Stock (the "**Series A-1 Preferred Stock**"), (ii) one such series shall be designated the "**Series A-2 Convertible Preferred Stock**" and shall consist of 1,717,728 shares of Series A-2 Convertible Preferred Stock (the "**Series A-2 Preferred Stock**," together with the Series A-1 Preferred Stock, the "**Series A Preferred Stock**"), (iii) one such series shall be designated the "**Series B Convertible Preferred Stock**" and shall consist of 3,523,765 shares of Series B Convertible Preferred Stock (the "**Series B Preferred Stock**"), (iv) one such series shall be designated the "**Series C Convertible Preferred Stock**" and shall consist of 4,085,125 shares of Series C Convertible Preferred Stock (the "**Series C Preferred Stock**"), (v) one such series shall be designated the "**Series D Convertible Preferred Stock**" and shall consist of 5,074,725 shares of Series D Convertible Preferred Stock (the "**Series D Preferred Stock**"), and (vi) one such series shall be designated the "**Series E Convertible Preferred Stock**" and shall consist of 6,960,967 shares of Series E Convertible Preferred Stock (the "**Series E Preferred Stock**"). The Board of Directors is authorized, subject to any limitations prescribed by law, to provide for the issuance of shares of Preferred Stock in series, and by filing a certificate pursuant to the applicable law of the State of Delaware (such certificate being hereafter referred to as a "**Preferred Stock Designation**"), to establish from time to time the number of shares to be included in each

such series, and to fix the designation, powers, preferences and rights of the shares of each such series and any qualifications, limitations or restrictions thereof. The number of authorized shares of Common Stock may be increased or decreased (but not below the number of shares of Common Stock then outstanding) by the affirmative vote of the holders of a majority of the capital stock of the Corporation entitled to vote (voting together as a single class on an as-if-converted basis), irrespective of the provisions of 242(b)(2) of the General Corporation Law of the State of Delaware. The holders of Common Stock are not entitled to vote separately as a class to increase or decrease the number of authorized shares of Common Stock."

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IN WITNESS WHEREOF, the Corporation has caused this Certificate of Amendment to the Restated Certificate of Incorporation to be signed by its duly authorized officer this 1st day of July, 2014.

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

CERTIFICATE OF AMENDMENT

OF

RESTATED CERTIFICATE OF INCORPORATION

OF

T2 BIOSYSTEMS, INC.

T2 Biosystems, Inc., a corporation organized and existing under and by virtue of the General Corporation Law of the State of Delaware (the "Corporation"), DOES HEREBY CERTIFY:

FIRST: That, at a meeting of the Board of Directors of the Corporation, resolutions were duly adopted recommending and declaring advisable that the Certificate of Incorporation of the Corporation be amended and that such amendments be submitted to the stockholders of the Corporation for their consideration, as follows:

RESOLVED, that the first, second and third sentences of the first paragraph of Article FOURTH of the Certificate of Incorporation of the Corporation, as amended and/or restated to date, be amended and restated in their entirety to read as follows:

"Effective on the filing of this Certificate of Amendment of Restated Certificate of Incorporation with the Office of the Secretary of State of the State of Delaware (the "Effective Time"), a one-for-1.7 reverse stock split of the Corporation's Common Stock shall become effective, pursuant to which each 1.7 shares of Common Stock outstanding and held of record by each stockholder of the Corporation (including treasury shares) immediately prior to the Effective Time shall be reclassified and combined into one validly issued, fully paid and nonassessable share of Common Stock automatically and without any action by the holder thereof upon the Effective Time and shall represent one share of Common Stock from and after the Effective Time (such reclassification and combination of shares, the "Reverse Stock Split"). The par value of the Common Stock and the Preferred Stock following the Reverse Stock Split shall remain at $0.001 per share. No fractional shares of Common Stock shall be issued as a result of the Reverse Stock Split and, in lieu thereof, upon surrender after the Effective Time of a certificate which formerly represented shares of Common Stock that were issued and outstanding immediately prior to the Effective Time, any person who would otherwise be entitled to a fractional share of Common Stock as a result of the Reverse Stock Split, following the Effective Time, shall be entitled to receive a cash payment equal to the fraction of which such holder would otherwise be entitled multiplied by the fair value per share as determined by the Board of Directors.

Each stock certificate that, immediately prior to the Effective Time, represented shares of Common Stock that were issued and outstanding

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immediately prior to the Effective Time shall, from and after the Effective Time, automatically and without the necessity of presenting the same for exchange, represent that number of whole shares of Common Stock after the Effective Time into which the shares formerly represented by such certificate have been reclassified (as well as the right to receive cash in lieu of fractional shares of Common Stock after the Effective Time); provided, however, that each person of record holding a certificate that represented shares of Common Stock that were issued and outstanding immediately prior to the Effective Time shall receive, upon surrender of such certificate, a new certificate evidencing and representing the number of whole shares of Common Stock after the Effective Time into which the shares of Common Stock formerly represented by such certificate shall have been reclassified; and provided further, however, that whether or not fractional shares would be issuable as a result of the Reverse Stock Split shall be determined on the basis of (i) the total number of shares of Common Stock that were issued and outstanding immediately prior to the Effective Time formerly represented by certificates that the holder is at the time surrendering for a new certificate evidencing and representing the number of whole shares of Common Stock after the Effective Time and (ii) the aggregate number of shares of Common Stock after the Effective Time into which the shares of Common Stock formerly represented by such certificates shall have been reclassified.

The Corporation is authorized to issue two classes of stock to be designated, respectively, "**Common Stock**" and "**Preferred Stock**." The aggregate number of shares which the Corporation is authorized to issue is 81,645,159, each with a par value of $0.001 per share. 60,000,000 shares shall be Common Stock and 21,645,159 shares shall be Preferred Stock, each with a par value of $0.001 per share."

RESOLVED, that Section 4(d)(i)(D) of Article FOURTH of the Certificate of Incorporation of the Corporation, as amended and/or restated to date, be amended and restated in its entirety to read as follows:

"(D) "**Additional Shares of Common Stock**" shall mean all shares of Common Stock issued (or, pursuant to Subsection 4(d)(iii) below, deemed to be issued) by the Corporation after the Series E Original Issue Date, other than (1) the following shares of Common Stock and (2) shares of Common Stock deemed issued pursuant to the following Options and Convertible Securities (clauses (1) and (2), collectively, "**Exempted Securities**"):

(I) shares of Common Stock, Options or Convertible Securities issued as a dividend or distribution on Preferred Stock;

(II) shares of Common Stock, Options or Convertible Securities issued by reason of a dividend, stock split, split-up or other

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distribution on shares of Common Stock that is covered by Subsection 4(e), 4(f) or 4(g) below;

(III) shares of Common Stock or Options issued to employees or directors of, or consultants or advisors to, the Corporation or any of its subsidiaries pursuant to a plan, agreement or arrangement approved by the Board of Directors of the Corporation, including at least four of the Preferred Directors;

(IV) shares of Common Stock or Convertible Securities actually issued upon the exercise of Options outstanding as of the Series E Original Issue Date or shares of Common Stock actually issued upon the conversion or exchange of Convertible Securities outstanding as of the Series E Original Issue Date, in each case provided such issuance is pursuant to the terms of such Option or Convertible Security;

(V) shares of Common Stock, Options or Convertible Securities issued to banks, equipment lessors or other financial institutions, or to real property lessors, pursuant to a bona fide debt financing, equipment leasing or real property leasing transaction approved by the Board of Directors of the Corporation, including at least four Preferred Directors; or

(VI) shares of Common Stock issued in a Qualified IPO (as defined in Subsection 5(a) below)."

RESOLVED, that Section 5(a) of Article FOURTH of the Certificate of Incorporation of the Corporation, as amended and/or restated to date, be amended and restated in its entirety to read as follows:

"Upon the earlier of (A) the closing of the sale of shares of Common Stock to the public in a firm-commitment underwritten public offering pursuant to (x) an effective registration statement under the Securities Act of 1933, as amended, resulting in at least $40 million of gross proceeds to the Corporation at a price per share of Common Stock of at least $12.4211 or (y) the Company's Registration Statement on Form S-1 (Reg. No. 333-197193) and any related registration statement (each, a "**Qualified IPO**"), or (B) the date and time, or the occurrence of an event, specified by vote or written consent of the holders of a majority of the then outstanding shares of Preferred Stock (the time of any such closing or the date and time specified or the time of the event specified in such vote or written consent is referred to herein as the "**Mandatory Conversion Date**"), then (i) all outstanding shares of Preferred Stock shall automatically be

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converted into shares of Common Stock at the then effective conversion rate and (ii) such shares may not be reissued by the Corporation."

SECOND: That in lieu of a meeting and vote of stockholders, the stockholders have given written consent to said amendments in accordance with the provisions of Section 228 of the General Corporation Law of the State of Delaware.

THIRD: That the aforesaid amendments were duly adopted in accordance with the applicable provisions of Section 242 of the General Corporation Law of the State of Delaware.

IN WITNESS WHEREOF, the Corporation has caused this Certificate of Amendment to be signed by John McDonough, the President and Chief Executive Officer of the Corporation, this 25th day of July, 2014.

T2 BIOSYSTEMS, INC.

By: /s/ John McDonough

John McDonough
President and Chief Executive Officer

RESTATED CERTIFICATE OF INCORPORATION

OF

T2 BIOSYSTEMS, INC.

(originally incorporated as Bioplex Systems, Inc. on April 27, 2006)

FIRST: The name of the Corporation is T2 Biosystems, Inc.

SECOND: The address of the Corporation's registered office in the State of Delaware is 2711 Centerville Road, Suite 400, City of Wilmington, County of New Castle. The name of its registered agent at that address is Corporation Service Company.

THIRD: The nature of the business or purposes to be conducted or promoted by the Corporation is to engage in any lawful act or activity for which corporations may be organized under the General Corporation Law of the State of Delaware.

FOURTH: The total number of shares of all classes of stock which the Corporation shall have authority to issue is 210,000,000 shares, consisting of (a) 200,000,000 shares of Common Stock, $0.001 par value per share ("Common Stock"), and (b) 10,000,000 shares of Preferred Stock, $0.001 par value per share ("Preferred Stock").

The following is a statement of the designations and the powers, privileges and rights, and the qualifications, limitations or restrictions thereof in respect of each class of capital stock of the Corporation.

A. COMMON STOCK.

1. General. The voting, dividend and liquidation rights of the holders of the Common Stock are subject to and qualified by the rights of the holders of the Preferred Stock of any series as may be designated by the Board of Directors upon any issuance of the Preferred Stock of any series.

2. Voting. The holders of the Common Stock shall have voting rights at all meetings of stockholders, each such holder being entitled to one vote for each share thereof held by such holder; provided, however, that, except as otherwise required by law, holders of Common Stock shall not be entitled to vote on any amendment to this Certificate of Incorporation (which, as used herein, shall mean the certificate of incorporation of the Corporation, as amended from time to time, including the terms of any certificate of designations of any series of Preferred Stock) that relates solely to the terms of one or more outstanding series of Preferred Stock if the holders of such affected series are entitled, either separately or together as a class with the holders of one or more other such series, to vote thereon pursuant to this Certificate of Incorporation or the General Corporation Law of the State of Delaware. There shall be no cumulative voting.

The number of authorized shares of Common Stock may be increased or decreased (but not below the number of shares thereof then outstanding) by the affirmative vote of the holders

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of a majority of the stock of the Corporation entitled to vote, irrespective of the provisions of Section 242(b)(2) of the General Corporation Law of the State of Delaware.

3. Dividends. Dividends may be declared and paid on the Common Stock as and when determined by the Board of Directors subject to any preferential dividend or other rights of any then outstanding Preferred Stock and to the requirements of applicable law.

4. Liquidation. Upon the dissolution or liquidation of the Corporation, whether voluntary or involuntary, holders of Common Stock will be entitled to receive all assets of the Corporation available for distribution to its stockholders, subject to any preferential or other rights of any then outstanding Preferred Stock.

B. PREFERRED STOCK.

Preferred Stock may be issued from time to time in one or more series, each of such series to have such terms as stated or expressed herein and in the resolution or resolutions providing for the issue of such series adopted by the Board of Directors of the Corporation as hereinafter provided.

Authority is hereby expressly granted to the Board of Directors from time to time to issue the Preferred Stock in one or more series, and in connection with the creation of any such series, by adopting a resolution or resolutions providing for the issuance of the shares thereof and by filing a certificate of designations relating thereto in accordance with the General Corporation Law of the State of Delaware, to determine and fix the number of shares of such series and such voting powers, full or limited, or no voting powers, and such designations, preferences and relative participating, optional or other special rights, and qualifications, limitations or restrictions thereof, including without limitation thereof, dividend rights, conversion rights, redemption privileges and liquidation preferences, as shall be stated and expressed in such resolutions, all to the fullest extent now or hereafter permitted by the General Corporation Law of the State of Delaware. Without limiting the generality of the foregoing, the resolution or resolutions providing for the issuance of any series of Preferred Stock may provide that such series shall be superior or rank equally or be junior to any other series of Preferred Stock to the extent permitted by law.

The number of authorized shares of Preferred Stock may be increased or decreased (but not below the number of shares thereof then outstanding) by the affirmative vote of the holders of a majority of the stock of the Corporation entitled to vote, irrespective of the provisions of Section 242(b)(2) of the General Corporation Law of the State of Delaware.

FIFTH: Except as otherwise provided herein, the Corporation reserves the right to amend, alter, change or repeal any provision contained in this Certificate of Incorporation, in the manner now or hereafter prescribed by statute and this Certificate of Incorporation, and all rights conferred upon stockholders herein are granted subject to this reservation.

SIXTH: In furtherance and not in limitation of the powers conferred upon it by the General Corporation Law of the State of Delaware, and subject to the terms of any series of Preferred Stock, the Board of Directors shall have the power to adopt, amend, alter or repeal the

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Bylaws of the Corporation. The stockholders may not adopt, amend, alter or repeal the Bylaws of the Corporation, or adopt any provision inconsistent therewith, unless such action is approved, in addition to any other vote required by this Certificate of Incorporation, by the affirmative vote of the holders of at least two-thirds in voting power of the outstanding shares of capital stock of the Corporation entitled to vote thereon. Notwithstanding any other provisions of law, this Certificate of Incorporation or the Bylaws of the Corporation, and notwithstanding the fact that a lesser percentage may be specified by law, the affirmative vote of the holders of at least two-thirds in voting power of the outstanding shares of capital stock of the Corporation entitled to vote thereon shall be required to amend or repeal, or to adopt any provision inconsistent with, this Article SIXTH.

SEVENTH: Except to the extent that the General Corporation Law of the State of Delaware prohibits the elimination or limitation of liability of directors for breaches of fiduciary duty, no director of the Corporation shall be personally liable to the Corporation or its stockholders for monetary damages for any breach of fiduciary duty as a director, notwithstanding any provision of law imposing such liability. No amendment to or repeal of this provision shall apply to or have any effect on the liability or alleged liability of any director of the Corporation for or with respect to any acts or omissions of such director occurring prior to such amendment or repeal. If the General Corporation Law of the State of Delaware is amended to permit further elimination or limitation of the personal liability of directors, then the liability of a director of the Corporation shall be eliminated or limited to the fullest extent permitted by the General Corporation Law of the State of Delaware as so amended.

EIGHTH: This Article EIGHTH is inserted for the management of the business and for the conduct of the affairs of the Corporation.

1. General Powers. The business and affairs of the Corporation shall be managed by or under the direction of the Board of Directors.

2. Number of Directors; Election of Directors. Subject to the rights of holders of any series of Preferred Stock to elect directors, the number of directors of the Corporation shall be established from time to time by the Board of Directors. Election of directors need not be by written ballot, except as and to the extent provided in the Bylaws of the Corporation.

3. Classes of Directors. Subject to the rights of holders of any series of Preferred Stock to elect directors, the Board of Directors shall be and is divided into three classes, designated as Class I, Class II and Class III. Each class shall consist, as nearly as may be possible, of one-third of the total number of directors constituting the entire Board of Directors. The Board of Directors is authorized to assign members of the Board of Directors to Class I, Class II or Class III.

4. Terms of Office. Subject to the rights of holders of any series of Preferred Stock to elect directors, each director shall serve for a term ending on the date of the third annual meeting of stockholders following the annual meeting of stockholders at which such director was elected; provided that each director initially assigned to Class I shall serve for a term expiring at the Corporation's first annual meeting of stockholders held after the effectiveness of this Certificate of Incorporation; each director initially assigned to Class II shall serve for a term expiring at the

Corporation's second annual meeting of stockholders held after the effectiveness of this Certificate of Incorporation; and each director initially assigned to Class III shall serve for a term expiring at the Corporation's third annual meeting of stockholders held after the effectiveness of this Certificate of Incorporation; provided further, that the term of each director shall continue until the election and qualification of his or her successor and be subject to his or her earlier death, resignation or removal.

5. Quorum. The greater of (a) a majority of the directors at any time in office and (b) one-third of the number of directors fixed pursuant to Section 2 of this Article EIGHTH shall constitute a quorum of the Board of Directors. If at any meeting of the Board of Directors there shall be less than such a quorum, a majority of the directors present may adjourn the meeting from time to time without further notice other than announcement at the meeting, until a quorum shall be present.

6. Action at Meeting. Every act or decision done or made by a majority of the directors present at a meeting duly held at which a quorum is present shall be regarded as the act of the Board of Directors unless a greater number is required by law or by this Certificate of Incorporation.

7. Removal. Subject to the rights of holders of any series of Preferred Stock, directors of the Corporation may be removed only for cause and only by the affirmative vote of the holders of at least two-thirds in voting power of the outstanding shares of capital stock of the Corporation entitled to vote thereon.

8. Vacancies. Subject to the rights of holders of any series of Preferred Stock, any vacancy or newly created directorship in the Board of Directors, however occurring, shall be filled only by vote of a majority of the directors then in office, although less than a quorum, or by a sole remaining director and shall not be filled by the stockholders, unless the Board of Directors determines by resolution that any such vacancy or newly created directorship shall be filled by the stockholders. A director elected to fill a vacancy shall hold office until the next election of the class for which such director shall have been chosen, subject to the election and qualification of a successor and to such director's earlier death, resignation or removal.

9. Stockholder Nominations and Introduction of Business, Etc. Advance notice of stockholder nominations for election of directors and other business to be brought by stockholders before a meeting of stockholders shall be given in the manner provided by the Bylaws of the Corporation.

10. Amendments to Article. Notwithstanding any other provisions of law, this Certificate of Incorporation or the Bylaws of the Corporation, and notwithstanding the fact that a lesser percentage may be specified by law, the affirmative vote of the holders of at least two-thirds in voting power of the outstanding shares of capital stock of the Corporation entitled to vote thereon shall be required to amend or repeal, or to adopt any provision inconsistent with, this Article EIGHTH.

NINTH: Stockholders of the Corporation may not take any action by written consent in lieu of a meeting. Notwithstanding any other provisions of law, this Certificate of Incorporation

or the Bylaws of the Corporation, and notwithstanding the fact that a lesser percentage may be specified by law, the affirmative vote of the holders of at least two-thirds in voting power of the outstanding shares of capital stock of the Corporation entitled to vote thereon shall be required to amend or repeal, or to adopt any provision inconsistent with, this Article NINTH.

TENTH: Special meetings of stockholders for any purpose or purposes may be called at any time only by the Board of Directors, the chairperson of the Board of Directors, the chief executive officer or the president (in the absence of a chief executive officer), and may not be called by any other person or persons. Business transacted at any special meeting of stockholders shall be limited to the purpose or purposes stated in the notice of meeting. Notwithstanding any other provisions of law, this Certificate of Incorporation or the Bylaws of the Corporation, and notwithstanding the fact that a lesser percentage may be specified by law, the affirmative vote of the holders of at least two-thirds in voting power of the outstanding shares of capital stock of the Corporation entitled to vote thereon shall be required to amend or repeal, or to adopt any provision inconsistent with, this Article TENTH.

ELEVENTH: Unless the Corporation consents in writing to the selection of an alternative forum, the Court of Chancery of the State of Delaware shall, to the fullest extent permitted by law, be the sole and exclusive forum for (a) any derivative action or proceeding brought on behalf of the Corporation, (b) any action asserting a claim of breach of fiduciary duty owed by, or other wrongdoing by, any director, officer, employee or agent of the Corporation to the Corporation or the Corporation's stockholders, creditors or other constituents, (c) any action asserting a claim arising pursuant to any provision of the General Corporation Law of the State of Delaware or this Certificate of Incorporation or the Bylaws of the Corporation, (d) any action to interpret, apply, enforce or determine the validity of this Certificate of Incorporation or the Bylaws of the Corporation or (e) any action asserting a claim governed by the internal affairs doctrine, in each case subject to said Court of Chancery having personal jurisdiction over the indispensable parties named as defendants therein; provided that, if and only if the Court of Chancery of the State of Delaware dismisses any such action for lack of subject matter jurisdiction, such action may be brought in another state or federal court sitting in the State of Delaware. To the fullest extent permitted by applicable law, any person or entity purchasing or otherwise acquiring any interest in shares of capital stock of the Corporation shall be deemed to have notice of and consented to the provisions of this Article ELEVENTH. Notwithstanding any other provisions of law, this Certificate of Incorporation or the Bylaws of the Corporation, and notwithstanding the fact that a lesser percentage may be specified by law, the affirmative vote of the holders of at least two-thirds in voting power of the outstanding shares of capital stock of the Corporation entitled to vote thereon shall be required to amend or repeal, or to adopt any provision inconsistent with, this Article ELEVENTH. If any provision or provisions of this Article ELEVENTH shall be held to be invalid, illegal or unenforceable as applied to any person or entity or circumstance for any reason whatsoever, then, to the fullest extent permitted by law, the validity, legality and enforceability of such provisions in any other circumstance and of the remaining provisions of this Article ELEVENTH (including, without limitation, each portion of any sentence of this Article ELEVENTH containing any such provision held to be invalid, illegal or unenforceable that is not itself held to be invalid, illegal or unenforceable) and the application of such provision to other persons or entities and circumstances shall not in any way be affected or impaired thereby.

IN WITNESS WHEREOF, this Certificate of Incorporation, which restates, integrates and amends the certificate of incorporation of the Corporation, and which has been duly adopted in accordance with Sections 228, 242 and 245 of the General Corporation Law of the State of Delaware, has been executed by its duly authorized officer this day of , 2014.

T2 BIOSYSTEMS, INC.

By: _____

Name: John McDonough
Title: President and Chief Executive Officer

Exhibit 3.4

AMENDED AND RESTATED

BYLAWS

OF

T2 BIOSYSTEMS, INC.

(a Delaware corporation)

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AMENDED AND RESTATED BYLAWS
OF
T2 BIOSYSTEMS, INC.

ARTICLE I - CORPORATE OFFICES

1.1 REGISTERED OFFICE.

The registered office of T2 Biosystems, Inc. (the "Corporation") shall be fixed in the Corporation's certificate of incorporation, as the same may be amended from time to time (the "certificate of incorporation").

1.2 OTHER OFFICES.

The Corporation's board of directors (the "Board") may at any time establish other offices at any place or places where the Corporation is qualified to do business.

ARTICLE II - MEETINGS OF STOCKHOLDERS

2.1 PLACE OF MEETINGS.

Meetings of stockholders shall be held at any place, within or outside the State of Delaware, designated by the Board. The Board may, in its sole discretion, determine that a meeting of stockholders shall not be held at any place, but may instead be held solely by means of remote communication as authorized by Section 211(a)(2) of the General Corporation Law of the State of Delaware (the "DGCL"). In the absence of any such designation or determination, stockholders' meetings shall be held at the Corporation's principal executive office.

2.2 ANNUAL MEETING.

The Board shall designate the date and time of the annual meeting. At the annual meeting, directors shall be elected and other proper business properly brought before the meeting in accordance with Section 2.4 of these bylaws may be transacted.

2.3 SPECIAL MEETING.

A special meeting of the stockholders may be called at any time by the Board, chairperson of the Board, chief executive officer or president (in the absence of a chief executive officer), but such special meetings may not be called by any other person or persons.

No business may be transacted at such special meeting other than the business specified in such notice to stockholders. Nothing contained in this paragraph of this Section 2.3 shall be construed as limiting, fixing, or affecting the time when a meeting of stockholders called by action of the Board may be held.

2.4 ADVANCE NOTICE PROCEDURES FOR BUSINESS BROUGHT BEFORE A MEETING.

(a) At an annual meeting of the stockholders, only such business shall be conducted as shall have been properly brought before the meeting. To be properly brought before an annual meeting, business must be (i) brought before the meeting by the Corporation and specified in the notice of meeting given by or at the direction of the Board, (ii) brought before the meeting by or at the direction of the Board or (iii) otherwise properly brought before the meeting by a stockholder who (A) was a stockholder of record of the Corporation (and, with respect to any beneficial owner, if different, on whose behalf such business is proposed, only if such beneficial owner was the beneficial owner of shares of the Corporation) both at the time of giving the notice provided for in this Section 2.4 and at the time of the meeting, (B) is entitled to vote at the meeting and (C) has complied with this Section 2.4 as to such business. Except for proposals properly made in accordance with Rule 14a-8 under the Securities Exchange Act of 1934, as amended, and the rules and regulations promulgated thereunder (as so amended and inclusive of such rules and regulations, the "Exchange Act"), and included in the notice of meeting given by or at the direction of the Board, the foregoing clause (iii) shall be the exclusive means for a stockholder to propose business to be brought before an annual meeting of the stockholders. Stockholders shall not be permitted to propose business to be brought before a special meeting of the stockholders, and the only matters that may be brought before a special meeting are the matters specified in the notice of meeting given by or at the direction of the person calling the meeting pursuant to Section 2.3 of these bylaws. Stockholders seeking to nominate persons for election to the Board must comply with Section 2.5 of these bylaws, and this Section 2.4 shall not be applicable to nominations except as expressly provided in Section 2.5 of these bylaws.

(b) Without qualification, for business to be properly brought before an annual meeting by a stockholder, the stockholder must (i) provide Timely Notice (as defined below) thereof in writing and in proper form to the secretary of the Corporation and (ii) provide any updates or supplements to such notice at the times and in the forms required by this Section 2.4. To be timely, a stockholder's notice must be delivered to, or mailed and received at, the principal executive offices of the Corporation not less than ninety (90) days nor more than one hundred twenty (120) days prior to the first anniversary of the preceding year's annual meeting; *provided*, *however*, that (x) if the date of the annual meeting is more than thirty (30) days before or more than sixty (60) days after such anniversary date or (y) with respect to the first annual meeting held after the Company's initial public offering of its shares pursuant to a registration statement on Form S-1, notice by the stockholder to be timely must be so delivered, or mailed and received, not earlier than the one hundred twentieth (120^{th}) day prior to such annual meeting and not later than the ninetieth (90^{th}) day prior to such annual meeting or, if later, the tenth (10^{th}) day following the day on which public disclosure of the date of such annual meeting was first made (such notice within such time periods, "Timely Notice"). In no event shall any adjournment or postponement of an annual meeting or the announcement thereof commence a new time period for the giving of Timely Notice as described above.

(c) To be in proper form for purposes of this Section 2.4, a stockholder's notice to the secretary of the Corporation shall set forth:

(i) As to each Proposing Person (as defined below), (A) the name and address of such Proposing Person (including, without limitation, if applicable, the name and address that appear on the Corporation's books and records) and (B) the class or series and number of shares of the Corporation that are, directly or indirectly, owned of record or

beneficially owned (within the meaning of Rule 13d-3 under the Exchange Act) by such Proposing Person, except that such Proposing Person shall in all events be deemed to beneficially own any shares of any class or series of the Corporation as to which such Proposing Person has a right to acquire beneficial ownership at any time in the future (the disclosures to be made pursuant to the foregoing clauses (A) and (B) are referred to as "Stockholder Information");

(ii) As to each Proposing Person, (A) any derivative, swap or other transaction or series of transactions engaged in, directly or indirectly, by such Proposing Person, the purpose or effect of which is to give such Proposing Person economic risk similar to ownership of shares of any class or series of the Corporation, including, without limitation, due to the fact that the value of such derivative, swap or other transactions are determined by reference to the price, value or volatility of any shares of any class or series of the Corporation, or which derivative, swap or other transactions provide, directly or indirectly, the opportunity to profit from any increase in the price or value of shares of any class or series of the Corporation ("Synthetic Equity Interests"), which Synthetic Equity Interests shall be disclosed without regard to whether (x) the derivative, swap or other transactions convey any voting rights in such shares to such Proposing Person, (y) the derivative, swap or other transactions are required to be, or are capable of being, settled through delivery of such shares or (z) such Proposing Person may have entered into other transactions that hedge or mitigate the economic effect of such derivative, swap or other transactions, (B) any proxy (other than a revocable proxy or consent given in response to a solicitation made pursuant to, and in accordance with, Section 14(a) of the Exchange Act by way of a solicitation statement filed on Schedule 14A), agreement, arrangement, understanding or relationship pursuant to which such Proposing Person has or shares a right to vote any shares of any class or series of the Corporation, (C) any agreement, arrangement, understanding or relationship, including, without limitation, any repurchase or similar so-called "stock borrowing" agreement or arrangement, engaged in, directly or indirectly, by such Proposing Person, the purpose or effect of which is to mitigate loss to, reduce the economic risk (of ownership or otherwise) of shares of any class or series of the Corporation by, manage the risk of share price changes for, or increase or decrease the voting power of, such Proposing Person with respect to the shares of any class or series of the Corporation, or which provides, directly or indirectly, the opportunity to profit from any decrease in the price or value of the shares of any class or series of the Corporation ("Short Interests"), (D) any rights to dividends on the shares of any class or series of the Corporation owned beneficially by such Proposing Person that are separated or separable from the underlying shares of the Corporation, (E) any performance related fees (other than an asset based fee) that such Proposing Person is entitled to based on any increase or decrease in the price or value of shares of any class or series of the Corporation, or any Synthetic Equity Interests or Short Interests, if any, (F)(x) if such Proposing Person is not a natural person, the identity of the natural person or persons associated with such Proposing Person responsible for the formulation of and decision to propose the business to be brought before the meeting (such person or persons, the "Responsible Person"), the manner in which such Responsible Person was selected, any fiduciary duties owed by such Responsible Person to the equity holders or other beneficiaries of such Proposing Person, the qualifications and background of such Responsible Person and any material interests or relationships of such Responsible Person that are not shared generally by any other record or beneficial

holder of the shares of any class or series of the Corporation and that reasonably could have influenced the decision of such Proposing Person to propose such business to be brought before the meeting, and (y) if such Proposing Person is a natural person, the qualifications and background of such natural person and any material interests or relationships of such natural person that are not shared generally by any other record or beneficial holder of the shares of any class or series of the Corporation and that reasonably could have influenced the decision of such Proposing Person to propose such business to be brought before the meeting, (G) any significant equity interests or any Synthetic Equity Interests or Short Interests in any principal competitor of the Corporation held by such Proposing Persons, (H) any direct or indirect interest of such Proposing Person in any contract with the Corporation, any affiliate of the Corporation or any principal competitor of the Corporation (including, without limitation, in any such case, any employment agreement, collective bargaining agreement or consulting agreement), (I) any pending or threatened litigation in which such Proposing Person is a party or material participant involving the Corporation or any of its officers or directors, or any affiliate of the Corporation, (J) any material transaction occurring during the prior twelve months between such Proposing Person, on the one hand, and the Corporation, any affiliate of the Corporation or any principal competitor of the Corporation, on the other hand, (K) a summary of any material discussions regarding the business proposed to be brought before the meeting (x) between or among any of the Proposing Persons or (y) between or among any Proposing Person and any other record or beneficial holder of the shares of any class or series of the Corporation (including, without limitation, their names) and (L) any other information relating to such Proposing Person that would be required to be disclosed in a proxy statement or other filing required to be made in connection with solicitations of proxies or consents by such Proposing Person in support of the business proposed to be brought before the meeting pursuant to Section 14(a) of the Exchange Act (the disclosures to be made pursuant to the foregoing clauses (A) through (L) are referred to as "Disclosable Interests"); provided, however, that Disclosable Interests shall not include any such disclosures with respect to the ordinary course business activities of any broker, dealer, commercial bank, trust company or other nominee who is a Proposing Person solely as a result of being the stockholder directed to prepare and submit the notice required by these bylaws on behalf of a beneficial owner; and

(iii) As to each item of business that the stockholder proposes to bring before the annual meeting, (A) a reasonably brief description of the business desired to be brought before the annual meeting, the reasons for conducting such business at the annual meeting and any material interest in such business of each Proposing Person, (B) the text of the proposal or business (including, without limitation, the text of any resolutions proposed for consideration and in the event that such business includes a proposal to amend the bylaws of the Corporation, the language of the proposed amendment), (C) a reasonably detailed description of all agreements, arrangements and understandings between or among any of the Proposing Persons or between or among any Proposing Person and any other person or entity (including, without limitation, their names) in connection with the proposal of such business by such stockholder, (D) a representation that the stockholder is a holder of record of stock of the Corporation entitled to vote at such meeting and intends to appear in person or by proxy at the meeting to propose such business, (E) a representation whether the Proposing Person intends or is part of a group

which intends (1) to deliver a proxy statement and/or form of proxy to holders of at least the percentage of the Corporation's outstanding capital stock required to approve or adopt the proposal and/or (2) otherwise to solicit proxies or votes from stockholders in support of such proposal and (F) any other information relating to such item of business that would be required to be disclosed in a proxy statement or other filing required to be made in connection with solicitations of proxies in support of the business proposed to be brought before the meeting pursuant to Section 14(a) of the Exchange Act; provided, however, that the disclosures required by this paragraph (c) shall not include any disclosures with respect to any broker, dealer, commercial bank, trust company or other nominee who is a Proposing Person solely as a result of being the stockholder directed to prepare and submit the notice required by these bylaws on behalf of a beneficial owner.

(d) For purposes of this Section 2.4, the term "Proposing Person" shall mean (i) the stockholder providing the notice of business proposed to be brought before an annual meeting, (ii) the beneficial owner or beneficial owners, if different, on whose behalf the notice of the business proposed to be brought before the annual meeting is made, (iii) any affiliate or associate (each within the meaning of Rule 12b-2 under the Exchange Act for the purposes of these bylaws) of such stockholder or beneficial owner and (iv) any other person with whom such stockholder or beneficial owner (or any of their respective affiliates or associates) is Acting in Concert (as defined below).

(e) A person shall be deemed to be "Acting in Concert" with another person for purposes of these bylaws if such person knowingly acts (whether or not pursuant to an express agreement, arrangement or understanding) in concert with, or towards a common goal relating to the management, governance or control of the Corporation in parallel with, such other person where (i) each person is conscious of the other person's conduct or intent and this awareness is an element in their decision-making processes and (ii) at least one additional factor suggests that such persons intend to act in concert or in parallel, which such additional factors may include, without limitation, exchanging information (whether publicly or privately), attending meetings, conducting discussions, or making or soliciting invitations to act in concert or in parallel; *provided*, that a person shall not be deemed to be Acting in Concert with any other person solely as a result of the solicitation or receipt of revocable proxies or consents from such other person in response to a solicitation made pursuant to, and in accordance with, the Section 14(a) of the Exchange Act by way of a proxy or consent solicitation statement filed on Schedule 14A. A person Acting in Concert with another person shall be deemed to be Acting in Concert with any third party who is also Acting in Concert with such other person.

(f) A stockholder providing notice of business proposed to be brought before an annual meeting shall further update and supplement such notice, if necessary, so that the information provided or required to be provided in such notice pursuant to this Section 2.4 shall be true and correct as of the record date for determining stockholders entitled to notice of the annual meeting and as of the date that is ten (10) business days prior to the meeting or any adjournment or postponement thereof, and such update and supplement shall be delivered to, or mailed and received by, the secretary of the Corporation at the principal executive offices of the Corporation not later than five (5) business days after the record date for determining stockholders entitled to notice of the annual meeting (in the case of the update and supplement required to be made as of the record date), and not later than eight (8) business days prior to the date for the meeting or, if practicable, any adjournment or postponement thereof (and, if not practicable, on the first practicable date prior to the date to which the meeting has been adjourned or postponed) (in the case of the update and supplement required to be made as of ten (10) business days prior to the meeting or any adjournment or postponement thereof).

(g) Notwithstanding anything in these bylaws to the contrary, no business shall be conducted at an annual meeting except in accordance with this Section 2.4. The presiding officer of an annual meeting shall, if the facts warrant, determine that the business was not properly brought before the meeting in accordance with this Section 2.4, and if he or she should so determine, he or she shall so declare to the meeting and any such business not properly brought before the meeting shall not be transacted.

(h) The foregoing notice requirements of this Section 2.4 shall be deemed satisfied by a stockholder with respect to business other than a nomination if the stockholder has notified the Corporation of his, her or its intention to present a proposal at an annual meeting in compliance with applicable rules and regulations promulgated under the Exchange Act and such stockholder's proposal has been included in a proxy statement that has been prepared by the Corporation to solicit proxies for such annual meeting. Nothing in this Section 2.4 shall be deemed to affect the rights of stockholders to request inclusion of proposals in the Corporation's proxy statement pursuant to Rule 14a-8 under the Exchange Act.

(i) For purposes of these bylaws, "public disclosure" shall mean disclosure in a press release reported by a national news service or in a document publicly filed by the Corporation with the Securities and Exchange Commission pursuant to Sections 13, 14 or 15(d) of the Exchange Act.

(j) Notwithstanding the foregoing provisions of this Section 2.4, unless otherwise required by law, if the stockholder (or a qualified representative of the stockholder) does not appear at the annual meeting to present proposed business, such proposed business shall not be transacted, notwithstanding that proxies in respect of such vote may have been received by the Corporation. For purposes of this Section 2.4, to be considered a qualified representative of the stockholder, a person must be a duly authorized officer, manager or partner of such stockholder or must be authorized by a writing executed by such stockholder or an electronic transmission delivered by such stockholder to act for such stockholder as proxy at the annual meeting and such person must produce such writing or electronic transmission, or a reliable reproduction of the writing or electronic transmission, at the annual meeting.

2.5 ADVANCE NOTICE PROCEDURES FOR NOMINATIONS OF DIRECTORS.

(a) Nominations of any person for election to the Board at an annual meeting or at a special meeting (but only if the election of directors is a matter specified in the notice of meeting given by or at the direction of the person calling such special meeting) may be made at such meeting only (i) by or at the direction of the Board, including, without limitation, by any committee or persons appointed by the Board, or (ii) by a stockholder who (A) was a stockholder of record of the Corporation (and, with respect to any beneficial owner, if different, on whose behalf such nomination is proposed to be made, only if such beneficial owner was the beneficial owner of shares of the Corporation) both at the time of giving the notice provided for in this Section 2.5 and at the time of the meeting, (B) is entitled to vote at the meeting and (C) has complied with this Section 2.5 as to such nomination. The foregoing clause (ii) shall be the exclusive means for a stockholder to make any nomination of a person or persons for election to the Board to be considered by the stockholders at an annual meeting or special meeting.

(b) Without qualification, for a stockholder to make any nomination of a person or persons for election to the Board at an annual meeting, the stockholder must (i) provide Timely Notice (as defined in Section 2.4(b) of these bylaws) thereof in writing and in proper form to the secretary of the Corporation and (ii) provide any updates or supplements to such notice at the times and in the forms

required by this Section 2.5. Without qualification, if the election of directors is a matter specified in the notice of meeting given by or at the direction of the person calling such special meeting, then for a stockholder to make any nomination of a person or persons for election to the Board at a special meeting, the stockholder must (i) provide timely notice thereof in writing and in proper form to the secretary of the Corporation at the principal executive offices of the Corporation and (ii) provide any updates or supplements to such notice at the times and in the forms required by this Section 2.5. To be timely, a stockholder's notice for nominations to be made at a special meeting must be delivered to, or mailed and received at, the principal executive offices of the Corporation not earlier than the one hundred twentieth (120th) day prior to such special meeting and not later than the ninetieth (90th) day prior to such special meeting or, if later, the tenth (10th) day following the day on which public disclosure (as defined in Section 2.4(i) of these bylaws) of the date of such special meeting was first made. In no event shall any adjournment or postponement of an annual meeting or special meeting or the announcement thereof commence a new time period for the giving of a stockholder's notice as described above.

(c) To be in proper form for purposes of this Section 2.5, a stockholder's notice to the secretary of the Corporation shall set forth:

(i) As to each Nominating Person (as defined below), the Stockholder Information (as defined in Section 2.4(c)(i) of these bylaws) except that for purposes of this Section 2.5, the term "Nominating Person" shall be substituted for the term "Proposing Person" in all places it appears in Section 2.4(c)(i);

(ii) As to each Nominating Person, any Disclosable Interests (as defined in Section 2.4(c)(ii), except that for purposes of this Section 2.5 the term "Nominating Person" shall be substituted for the term "Proposing Person" in all places it appears in Section 2.4(c)(ii) and the disclosure in clause (L) of Section 2.4(c)(ii) shall be made with respect to the election of directors at the meeting);

(iii) As to each person whom a Nominating Person proposes to nominate for election as a director, (A) all information with respect to such proposed nominee that would be required to be set forth in a stockholder's notice pursuant to this Section 2.5 if such proposed nominee were a Nominating Person, (B) all information relating to such proposed nominee that is required to be disclosed in a proxy statement or other filings required to be made in connection with solicitations of proxies for election of directors in a contested election pursuant to Section 14(a) under the Exchange Act (including, without limitation, such proposed nominee's written consent to being named in the proxy statement as a nominee and to serving as a director if elected), (C) a description of all direct and indirect compensation and other material monetary agreements, arrangements and understandings during the past three (3) years, and any other material relationships, between or among any Nominating Person, on the one hand, and each proposed nominee, his or her respective affiliates and associates and any other persons with whom such proposed nominee (or any of his or her respective affiliates and associates) is Acting in Concert (as defined in Section 2.4(e) of these bylaws), on the other hand, including, without limitation, all information that would be required to be disclosed pursuant to Item 404 under Regulation S-K if such Nominating Person were the "registrant" for purposes of such rule and the proposed nominee were a director or executive officer of such registrant (the disclosures to be made pursuant to the foregoing clauses (A) through (C) are referred to as "Nominee Information"), (D) a representation that the Nominating

Person is a holder of record of stock of the Corporation entitled to vote at such meeting and intends to appear in person or by proxy at the meeting to propose such nomination, (E) a representation whether the Nominating Person intends or is part of a group which intends (1) to deliver a proxy statement and/or form of proxy to holders of at least the percentage of the Corporation's outstanding capital stock required to elect the nominee and/or (2) otherwise to solicit proxies or votes from stockholders in support of such nomination and (F) a completed and signed questionnaire, representation and agreement as provided in Section 2.5(g); and

(iv) The Corporation may require any proposed nominee to furnish such other information (A) as may reasonably be required by the Corporation to determine the eligibility of such proposed nominee to serve as an independent director of the Corporation in accordance with the Corporation's Corporate Governance Guidelines or (B) that could be material to a reasonable stockholder's understanding of the independence or lack of independence of such proposed nominee.

(d) For purposes of this Section 2.5, the term "Nominating Person" shall mean (i) the stockholder providing the notice of the nomination proposed to be made at the meeting, (ii) the beneficial owner or beneficial owners, if different, on whose behalf the notice of the nomination proposed to be made at the meeting is made, (iii) any affiliate or associate of such stockholder or beneficial owner and (iv) any other person with whom such stockholder or such beneficial owner (or any of their respective affiliates or associates) is Acting in Concert.

(e) A stockholder providing notice of any nomination proposed to be made at a meeting shall further update and supplement such notice, if necessary, so that the information provided or required to be provided in such notice pursuant to this Section 2.5 shall be true and correct as of the record date for determining stockholders entitled to notice of the meeting and as of the date that is ten (10) business days prior to the meeting or any adjournment or postponement thereof, and such update and supplement shall be delivered to, or mailed and received by, the secretary of the Corporation at the principal executive offices of the Corporation not later than five (5) business days after the record date for determining stockholders entitled to notice of the meeting (in the case of the update and supplement required to be made as of the record date), and not later than eight (8) business days prior to the date for the meeting or, if practicable, any adjournment or postponement thereof (and, if not practicable, on the first practicable date prior to the date to which the meeting has been adjourned or postponed) (in the case of the update and supplement required to be made as of ten (10) business days prior to the meeting or any adjournment or postponement thereof).

(f) Notwithstanding anything in these bylaws to the contrary, no person shall be eligible for election as a director of the Corporation unless nominated in accordance with this Section 2.5. The presiding officer at the meeting shall, if the facts warrant, determine that a nomination was not properly made in accordance with this Section 2.5, and if he or she should so determine, he or she shall so declare such determination to the meeting and the defective nomination shall be disregarded.

(g) To be eligible to be a nominee for election as a director of the Corporation, the proposed nominee must deliver (in accordance with the time periods prescribed for delivery of notice under this Section 2.5) to the secretary of the Corporation at the principal executive offices of the Corporation a written questionnaire with respect to the background and qualification of such proposed nominee (which questionnaire shall be provided by the secretary upon written request) and a written

representation and agreement (in form provided by the secretary upon written request) that such proposed nominee (i) is not and will not become a party to (A) any agreement, arrangement or understanding with, and has not given any commitment or assurance to, any person or entity as to how such proposed nominee, if elected as a director of the Corporation, will act or vote on any issue or question (a "Voting Commitment") that has not been disclosed to the Corporation or (B) any Voting Commitment that could limit or interfere with such proposed nominee's ability to comply, if elected as a director of the Corporation, with such proposed nominee's fiduciary duties under applicable law, (ii) is not, and will not become a party to, any agreement, arrangement or understanding with any person or entity other than the Corporation with respect to any direct or indirect compensation, reimbursement or indemnification in connection with service or action as a director that has not been disclosed to the Corporation and (iii) in such proposed nominee's individual capacity and on behalf of the stockholder (or the beneficial owner, if different) on whose behalf the nomination is made, would be in compliance, if elected as a director of the Corporation, and will comply with applicable publicly disclosed corporate governance, conflict of interest, confidentiality and stock ownership and trading policies and guidelines of the Corporation.

(h) In addition to the requirements of this Section 2.5 with respect to any nomination proposed to be made at a meeting, each Nominating Person shall comply with all applicable requirements of the Exchange Act with respect to any such nominations.

(i) Notwithstanding the foregoing provisions of this Section 2.5, unless otherwise required by law, if the stockholder (or a qualified representative of the stockholder) does not appear at the meeting to present the proposed nomination, such proposed nomination shall not be considered, notwithstanding that proxies in respect of such vote may have been received by the Corporation. For purposes of this Section 2.5, to be considered a qualified representative of the stockholder, a person must be a duly authorized officer, manager or partner of such stockholder or must be authorized by a writing executed by such stockholder or an electronic transmission delivered by such stockholder to act for such stockholder as proxy at the meeting of stockholders and such person must produce such writing or electronic transmission, or a reliable reproduction of the writing or electronic transmission, at the meeting.

2.6 NOTICE OF STOCKHOLDERS' MEETINGS.

Unless otherwise provided by law, the certificate of incorporation or these bylaws, the notice of any meeting of stockholders shall be sent or otherwise given in accordance with either Section 2.7 or Section 8.1 of these bylaws not less than ten (10) nor more than sixty (60) days before the date of the meeting to each stockholder entitled to vote at such meeting as of the record date for determining the stockholders entitled to notice of the meeting. The notice shall specify the place, if any, date and hour of the meeting, the record date for determining the stockholders entitled to vote at the meeting (if such date is different from the record date for stockholders entitled to notice of the meeting), the means of remote communication, if any, by which stockholders and proxy holders may be deemed to be present in person and vote at such meeting, and, in the case of a special meeting, the purpose or purposes for which the meeting is called.

2.7 MANNER OF GIVING NOTICE; AFFIDAVIT OF NOTICE.

Notice of any meeting of stockholders shall be deemed given:

(a) if mailed, when deposited in the United States mail, postage prepaid, directed to the stockholder at such stockholder's address as it appears on the Corporation's records; or

(b) if electronically transmitted, as provided in Section 8.1 of these bylaws.

An affidavit of the secretary or an assistant secretary of the Corporation or of the transfer agent or any other agent of the Corporation that the notice has been given by mail or by a form of electronic transmission, as applicable, shall, in the absence of fraud, be prima facie evidence of the facts stated therein.

2.8 QUORUM.

Unless otherwise provided by law, the certificate of incorporation or these bylaws, the holders of a majority in voting power of the capital stock issued and outstanding and entitled to vote, present in person, or by remote communication, if applicable, or represented by proxy, shall constitute a quorum for the transaction of business at all meetings of the stockholders. A quorum, once established at a meeting, shall not be broken by the withdrawal of enough votes to leave less than a quorum. If, however, a quorum is not present or represented at any meeting of the stockholders, then either (a) the chairperson of the meeting or (b) a majority in voting power of the stockholders entitled to vote thereon, present in person, or by remote communication, if applicable, or represented by proxy, shall have power to adjourn the meeting from time to time in the manner provided in Section 2.9 of these bylaws until a quorum is present or represented. At such adjourned meeting at which a quorum is present or represented, any business may be transacted that might have been transacted at the meeting as originally noticed.

2.9 ADJOURNED MEETING; NOTICE.

When a meeting is adjourned to another time or place, unless these bylaws otherwise require, notice need not be given of the adjourned meeting if the time, place, if any, thereof, and the means of remote communications, if any, by which stockholders and proxy holders may be deemed to be present in person and vote at such adjourned meeting are announced at the meeting at which the adjournment is taken. At the adjourned meeting, the Corporation may transact any business which might have been transacted at the original meeting. If the adjournment is for more than thirty (30) days, or if after the adjournment a new record date for determining the stockholders entitled to vote is fixed for the adjourned meeting, a notice of the adjourned meeting shall be given to each stockholder of record entitled to vote at the adjourned meeting as of the record date for determining the stockholders entitled to notice of the adjourned meeting.

2.10 CONDUCT OF BUSINESS.

The date and time of the opening and the closing of the polls for each matter upon which the stockholders will vote at a meeting shall be announced at the meeting by the person presiding over the meeting. The Board may adopt by resolution such rules and regulations for the conduct of the meeting of stockholders as it shall deem appropriate. Except to the extent inconsistent with such rules and regulations as adopted by the Board, the person presiding over any meeting of stockholders shall have the right and authority to convene and (for any or no reason) to recess and/or adjourn the meeting, to prescribe such rules, regulations and procedures (which need not be in writing) and to do all such acts as, in the judgment of such presiding person, are appropriate for the proper conduct of the meeting. Such rules, regulations or procedures, whether adopted by the Board or prescribed by the presiding person of

the meeting, may include, without limitation, the following: (a) the establishment of an agenda or order of business for the meeting; (b) rules and procedures for maintaining order at the meeting and the safety of those present (including, without limitation, rules and procedures for removal of disruptive persons from the meeting); (c) limitations on attendance at or participation in the meeting to stockholders entitled to vote at the meeting, their duly authorized and constituted proxies or such other persons as the presiding person of the meeting shall determine; (d) restrictions on entry to the meeting after the time fixed for the commencement thereof; and (e) limitations on the time allotted to questions or comments by participants. The presiding person at any meeting of stockholders, in addition to making any other determinations that may be appropriate to the conduct of the meeting (including, without limitation, determinations with respect to the administration and/or interpretation of any of the rules, regulations or procedures of the meeting, whether adopted by the Board or prescribed by the person presiding over the meeting), shall, if the facts warrant, determine and declare to the meeting that a matter or business was not properly brought before the meeting and if such presiding person should so determine, such presiding person shall so declare to the meeting and any such matter or business not properly brought before the meeting shall not be transacted or considered. Unless and to the extent determined by the Board or the person presiding over the meeting, meetings of stockholders shall not be required to be held in accordance with the rules of parliamentary procedure.

2.11 VOTING.

The stockholders entitled to vote at any meeting of stockholders shall be determined in accordance with the provisions of Section 2.13 of these bylaws, subject to Section 217 (relating to voting rights of fiduciaries, pledgors and joint owners of stock) and Section 218 (relating to voting trusts and other voting agreements) of the DGCL.

Except as may be otherwise provided in the certificate of incorporation or these bylaws, each stockholder shall be entitled to one (1) vote for each share of capital stock held by such stockholder.

At all duly called or convened meetings of stockholders, at which a quorum is present, for the election of directors, a plurality of the votes cast shall be sufficient to elect a director. Except as otherwise provided by the certificate of incorporation, these bylaws, the rules or regulations of any stock exchange applicable to the Corporation, or applicable law or pursuant to any regulation applicable to the Corporation or its securities, all other elections and questions presented to the stockholders at a duly called or convened meeting, at which a quorum is present, shall be decided by the affirmative vote of the holders of a majority in voting power of the votes cast affirmatively or negatively (excluding abstentions) at the meeting by the holders entitled to vote thereon.

2.12 STOCKHOLDER ACTION BY WRITTEN CONSENT WITHOUT A MEETING.

Any action required or permitted to be taken by the stockholders of the Corporation must be effected at a duly called annual or special meeting of stockholders of the Corporation and may not be effected by any consent in writing by such stockholders.

2.13 RECORD DATE FOR STOCKHOLDER NOTICE; VOTING.

In order that the Corporation may determine the stockholders entitled to notice of any meeting of stockholders or any adjournment thereof, the Board may fix a record date, which record date shall not precede the date upon which the resolution fixing the record date is adopted by the Board, and which

record date shall, unless otherwise required by law, not be more than sixty (60) nor less than ten (10) days before the date of such meeting. If the Board so fixes a date, such date shall also be the record date for determining the stockholders entitled to vote at such meeting unless the Board determines, at the time it fixes such record date, that a later date on or before the date of the meeting shall be the date for making such determination. If no record date is fixed by the Board, the record date for determining stockholders entitled to notice of or to vote at a meeting of stockholders shall be at the close of business on the day next preceding the day on which notice is given, or, if notice is waived, at the close of business on the day next preceding the day on which the meeting is held. A determination of stockholders of record entitled to notice of or to vote at a meeting of stockholders shall apply to any adjournment of the meeting; provided, however, that the Board may fix a new record date for determination of stockholders entitled to vote at the adjourned meeting, and in such case shall also fix as the record date for stockholders entitled to notice of such adjourned meeting the same or an earlier date as that fixed for determination of stockholders entitled to vote in accordance herewith at the adjourned meeting.

In order that the Corporation may determine the stockholders entitled to receive payment of any dividend or other distribution or allotment of any rights, or entitled to exercise any rights in respect of any change, conversion or exchange of stock or for the purpose of any other lawful action, the Board may fix a record date, which shall not be more than sixty (60) days prior to such other action. If no such record date is fixed, the record date for determining stockholders for any such purpose shall be at the close of business on the day on which the Board adopts the resolution relating thereto.

2.14 PROXIES.

Each stockholder entitled to vote at a meeting of stockholders may authorize another person or persons to act for such stockholder by proxy authorized by an instrument in writing or by a transmission permitted by law filed in accordance with the procedure established for the meeting, but no such proxy shall be voted or acted upon after three (3) years from its date, unless the proxy provides for a longer period. The revocability of a proxy that states on its face that it is irrevocable shall be governed by the provisions of Section 212 of the DGCL. A proxy may be in the form of a telegram, cablegram or other means of electronic transmission which sets forth or is submitted with information from which it can be determined that the telegram, cablegram or other means of electronic transmission was authorized by the stockholder.

2.15 LIST OF STOCKHOLDERS ENTITLED TO VOTE.

The officer who has charge of the stock ledger of the Corporation shall prepare and make, at least ten (10) days before every meeting of stockholders, a complete list of the stockholders entitled to vote at the meeting (provided, however, if the record date for determining the stockholders entitled to vote is less than ten (10) days before the date of the meeting, the list shall reflect the stockholders entitled to vote as of the tenth day before the date of the meeting), arranged in alphabetical order, and showing the address of each stockholder and the number of shares registered in the name of each stockholder. The Corporation shall not be required to include electronic mail addresses or other electronic contact information on such list. The Corporation shall not be required to include electronic mail addresses or other electronic contact information on such list. Such list shall be open to the examination of any stockholder, for any purpose germane to the meeting for a period of at least ten (10) days prior to the meeting: (a) on a reasonably accessible electronic network, provided that the information required to gain access to such list is provided with the notice of the meeting, or (b) during ordinary business hours, at the Corporation's principal executive office. In the event that the Corporation determines to make the list

available on an electronic network, the Corporation may take reasonable steps to ensure that such information is available only to stockholders of the Corporation. If the meeting is to be held at a place, then the list shall be produced and kept at the time and place of the meeting during the whole time thereof, and may be inspected by any stockholder who is present. If the meeting is to be held solely by means of remote communication, then the list shall also be open to the examination of any stockholder during the whole time of the meeting on a reasonably accessible electronic network, and the information required to access such list shall be provided with the notice of the meeting. Except as otherwise provided by law, the stock ledger shall be the only evidence as to the identity of the stockholders entitled to vote in person or by proxy and the number of shares held by each of them, and as to the stockholders entitled to examine the list of stockholders.

2.16 POSTPONEMENT AND CANCELLATION OF MEETING.

Any previously scheduled annual or special meeting of the stockholders may be postponed, and any previously scheduled annual or special meeting of the stockholders may be canceled, by resolution of the Board upon public notice given prior to the time previously scheduled for such meeting.

2.17 INSPECTORS OF ELECTION.

Before any meeting of stockholders, the Board shall appoint an inspector or inspectors of election to act at the meeting or its adjournment or postponement and make a written report thereof. The number of inspectors shall be either one (1) or three (3). If any person appointed as inspector fails to appear or fails or refuses to act, then the chairperson of the meeting may, and upon the request of any stockholder or a stockholder's proxy shall, appoint a person to fill that vacancy. Unless otherwise required by law, inspectors may be officers, employees or agents of the Corporation. Such inspectors shall have the duties prescribed by law and shall take charge of the polls and, when the vote is completed, shall make a certificate of the result of the vote taken and of such other facts as may be required by law. The inspectors of election shall perform their duties impartially, in good faith, to the best of their ability and as expeditiously as is practical. If there are three (3) inspectors of election, the decision, act or certificate of a majority is effective in all respects as the decision, act or certificate of all. Any report or certificate made by the inspectors of election is prima facie evidence of the facts stated therein.

ARTICLE III - DIRECTORS

3.1 POWERS.

Subject to the provisions of the DGCL and any limitations in the certificate of incorporation relating to action required to be approved by the stockholders or by the outstanding shares, the business and affairs of the Corporation shall be managed and all corporate powers shall be exercised by or under the direction of the Board.

3.2 NUMBER OF DIRECTORS.

The authorized number of directors shall be determined from time to time by resolution of the Board, provided the Board shall consist of at least one (1) member. No reduction of the authorized number of directors shall have the effect of removing any director before that director's term of office expires.

3.3 ELECTION, QUALIFICATION AND TERM OF OFFICE OF DIRECTORS.

Except as provided in Section 3.4 of these bylaws, each director, including, without limitation, a director elected to fill a vacancy, shall hold office until the expiration of the term for which elected and until such director's successor is elected and qualified or until such director's earlier death, resignation or removal. Directors need not be stockholders unless so required by the certificate of incorporation or these bylaws. The certificate of incorporation or these bylaws may prescribe other qualifications for directors.

If so provided in the certificate of incorporation, the directors of the Corporation shall be divided into three (3) classes.

3.4 RESIGNATION AND VACANCIES.

Any director may resign at any time upon notice given in writing or by electronic transmission to the Corporation at its principal office or to the chairperson of the Board, the chief executive officer, the president or the secretary. When one or more directors so resigns and the resignation is effective at a future date, a majority of the directors then in office, including those who have so resigned, shall have power to fill such vacancy or vacancies, the vote thereon to take effect when such resignation or resignations shall become effective, and each director so chosen shall hold office as provided in this section in the filling of other vacancies.

Unless otherwise provided in the certificate of incorporation or these bylaws, vacancies and newly created directorships resulting from any increase in the authorized number of directors shall, unless the Board determines by resolution that any such vacancies or newly created directorships shall be filled by stockholders, be filled only by a majority of the directors then in office, although less than a quorum, or by a sole remaining director. Any director elected in accordance with the preceding sentence shall hold office for the remainder of the full term of the director for which the vacancy was created or occurred and until such director's successor shall have been elected and qualified. A vacancy in the Board shall be deemed to exist under these bylaws in the case of the death, removal or resignation of any director.

3.5 PLACE OF MEETINGS; MEETINGS BY TELEPHONE.

The Board may hold meetings, both regular and special, either within or outside the State of Delaware.

Unless otherwise restricted by the certificate of incorporation or these bylaws, members of the Board, or any committee designated by the Board, may participate in a meeting of the Board, or any committee, by means of conference telephone or other communications equipment by means of which all persons participating in the meeting can hear each other, and such participation in a meeting pursuant to this bylaw shall constitute presence in person at the meeting.

3.6 REGULAR MEETINGS.

Regular meetings of the Board may be held without notice at such time and at such place as shall from time to time be determined by the Board; provided that any director who is absent when such determination is made shall be given notice of the determination. A regular meeting of the Board may be held without notice immediately after and at the same place as the annual meeting of stockholders.

3.7 SPECIAL MEETINGS; NOTICE.

Special meetings of the Board for any purpose or purposes may be called at any time by the chairperson of the Board, the chief executive officer, the president, the secretary or a majority of the authorized number of directors.

Notice of the time and place of special meetings shall be:

(a) delivered personally by hand, by courier or by telephone;

(b) sent by United States first-class mail, postage prepaid;

(c) sent by facsimile; or

(d) sent by electronic mail,

directed to each director at that director's address, telephone number, facsimile number or electronic mail address, as the case may be, as shown on the Corporation's records.

If the notice is (a) delivered personally by hand, by courier or by telephone, (b) sent by facsimile or (c) sent by electronic mail, it shall be delivered or sent at least twenty-four (24) hours before the time of the holding of the meeting. If the notice is sent by United States mail, it shall be deposited in the United States mail at least four (4) days before the time of the holding of the meeting. Any oral notice may be communicated to the director. The notice need not specify the place of the meeting (if the meeting is to be held at the Corporation's principal executive office) nor the purpose of the meeting.

3.8 QUORUM.

The greater of (a) a majority of the directors at any time in office and (b) one-third of the number of directors established by the Board pursuant to Section 3.2 of these bylaws shall constitute a quorum of the Board for the transaction of business. The vote of a majority of the directors present at any meeting at which a quorum is present shall be the act of the Board, except as may be otherwise specifically provided by statute, the certificate of incorporation or these bylaws. If a quorum is not present at any meeting of the Board, then the directors present thereat may adjourn the meeting from time to time, without notice other than announcement at the meeting, until a quorum is present.

3.9 BOARD ACTION BY CONSENT WITHOUT A MEETING.

Unless otherwise restricted by the certificate of incorporation or these bylaws, any action required or permitted to be taken at any meeting of the Board, or of any committee thereof, may be taken without a meeting if all members of the Board or committee, as the case may be, consent thereto in writing or by electronic transmission and the writing or writings or electronic transmission or transmissions are filed with the minutes of proceedings of the Board or committee. Such filing shall be in paper form if the minutes are maintained in paper form and shall be in electronic form if the minutes are maintained in electronic form.

3.10 FEES AND COMPENSATION OF DIRECTORS.

Unless otherwise restricted by the certificate of incorporation or these bylaws, the Board shall have the authority to fix the compensation of directors.

3.11 REMOVAL OF DIRECTORS.

Subject to the rights of the holders of the shares of any series of Preferred Stock, the Board or any individual director may be removed from office only for cause and only by the affirmative vote of the holders of at least two-thirds in voting power of the outstanding shares of capital stock of the Corporation entitled to vote thereon.

ARTICLE IV - COMMITTEES

4.1 COMMITTEES OF DIRECTORS.

The Board may designate one (1) or more committees, each committee to consist of one (1) or more of the directors of the Corporation. The Board may designate one (1) or more directors as alternate members of any committee, who may replace any absent or disqualified member at any meeting of the committee. In the absence or disqualification of a member of a committee, the member or members thereof present at any meeting and not disqualified from voting, whether or not such member or members constitute a quorum, may unanimously appoint another member of the Board to act at the meeting in the place of any such absent or disqualified member. Any such committee, to the extent provided in the resolution of the Board or in these bylaws, shall have and may exercise all the powers and authority of the Board in the management of the business and affairs of the Corporation, and may authorize the seal of the Corporation to be affixed to all papers that may require it; but no such committee shall have the power or authority to (a) approve or adopt, or recommend to the stockholders, any action or matter (other than the election or removal of directors) expressly required by the DGCL to be submitted to stockholders for approval, or (b) adopt, amend or repeal any bylaw of the Corporation.

4.2 COMMITTEE MINUTES.

Each committee shall keep regular minutes of its meetings and report the same to the Board when required.

4.3 MEETINGS AND ACTION OF COMMITTEES.

Meetings and actions of committees shall be governed by, and held and taken in accordance with, the provisions of:

(a) Section 3.5 of these bylaws (place of meetings and meetings by telephone);

(b) Section 3.6 of these bylaws (regular meetings);

(c) Section 3.7 of these bylaws (special meetings and notice);

(d) Section 3.8 of these bylaws (quorum);

(e) Section 7.12 of these bylaws (waiver of notice); and

(f) Section 3.9 of these bylaws (action without a meeting),

with such changes in the context of those bylaws as are necessary to substitute the committee and its members for the Board and its members. *However*:

(i) the time of regular meetings of committees may be determined either by resolution of the Board or by resolution of the committee;

(ii) special meetings of committees may also be called by resolution of the Board; and

(iii) notice of special meetings of committees shall also be given to all alternate members, who shall have the right to attend all meetings of the committee. The Board may adopt rules for the government of any committee not inconsistent with the provisions of these bylaws.

ARTICLE V - OFFICERS

5.1 OFFICERS.

The officers of the Corporation shall be a president and a secretary. The Corporation may also have, at the discretion of the Board, a chairperson of the Board, a vice chairperson of the Board, a chief executive officer, a chief financial officer or treasurer, one (1) or more vice presidents, one (1) or more assistant vice presidents, one (1) or more assistant treasurers, one (1) or more assistant secretaries, and any such other officers as may be appointed in accordance with the provisions of these bylaws. Any number of offices may be held by the same person.

5.2 APPOINTMENT OF OFFICERS.

The Board shall appoint the officers of the Corporation, except such officers as may be appointed in accordance with the provisions of Section 5.3 of these bylaws, subject to the rights, if any, of an officer under any contract of employment.

5.3 SUBORDINATE OFFICERS.

The Board may appoint, or empower the chief executive officer or, in the absence of a chief executive officer, the president, to appoint, such other officers and agents as the business of the Corporation may require. Each of such officers and agents shall hold office for such period, have such authority, and perform such duties as are provided in these bylaws or as the Board may from time to time determine.

5.4 REMOVAL AND RESIGNATION OF OFFICERS.

Subject to the rights, if any, of an officer under any contract of employment, any officer may be removed, either with or without cause, by the Board at any regular or special meeting of the Board or,

except in the case of an officer chosen by the Board, by any officer upon whom such power of removal may be conferred by the Board.

Any officer may resign at any time by giving written notice to the Corporation. Any resignation shall take effect at the date of the receipt of that notice or at any later time specified in that notice. Unless otherwise specified in the notice of resignation, the acceptance of the resignation shall not be necessary to make it effective. Any resignation is without prejudice to the rights, if any, of the Corporation under any contract to which the officer is a party.

5.5 VACANCIES IN OFFICES.

Any vacancy occurring in any office of the Corporation shall be filled by the Board or as provided in Section 5.3 of these bylaws.

5.6 REPRESENTATION OF SHARES OF OTHER CORPORATIONS.

The chairperson of the Board, the president, any vice president, the treasurer, the secretary or assistant secretary of this Corporation, or any other person authorized by the Board or the president or a vice president, is authorized to vote, represent and exercise on behalf of this Corporation all rights incident to any and all securities of any other entity or entities standing in the name of this Corporation. The authority granted herein may be exercised either by such person directly or by any other person authorized to do so by proxy or power of attorney duly executed by such person having the authority.

5.7 AUTHORITY AND DUTIES OF OFFICERS.

All officers of the Corporation shall respectively have such authority and perform such duties in the management of the business of the Corporation as may be designated from time to time by the Board and, to the extent not so provided, as generally pertain to their respective offices, subject to the control of the Board.

ARTICLE VI - RECORDS AND REPORTS

6.1 MAINTENANCE OF RECORDS.

The Corporation shall, either at its principal executive office or at such place or places as designated by the Board, keep a record of its stockholders listing their names and addresses and the number and class of shares held by each stockholder, a copy of these bylaws as amended to date, accounting books and other records.

ARTICLE VII - GENERAL MATTERS

7.1 EXECUTION OF CORPORATE CONTRACTS AND INSTRUMENTS.

The Board, except as otherwise provided in these bylaws, may authorize any officer or officers, or agent or agents, to enter into any contract or execute any instrument in the name of and on behalf of the Corporation; such authority may be general or confined to specific instances. Unless so authorized or ratified by the Board or within the agency power of an officer, no officer, agent or employee shall have

any power or authority to bind the Corporation by any contract or engagement or to pledge its credit or to render it liable for any purpose or for any amount.

7.2 STOCK CERTIFICATES; PARTLY PAID SHARES.

The shares of the Corporation shall be represented by certificates or shall be uncertificated. Certificates for the shares of stock, if any, shall be in such form as is consistent with the certificate of incorporation and applicable law. Every holder of stock represented by a certificate shall be entitled to have a certificate signed by, or in the name of the Corporation by the chairperson or vice-chairperson of the Board, or the president or vice-president, and by the treasurer or an assistant treasurer, or the secretary or an assistant secretary of the Corporation representing the number of shares registered in certificate form. Any or all of the signatures on the certificate may be a facsimile. In case any officer, transfer agent or registrar who has signed or whose facsimile signature has been placed upon a

certificate has ceased to be such officer, transfer agent or registrar before such certificate is issued, it may be issued by the Corporation with the same effect as if he were such officer, transfer agent or registrar at the date of issue.

The Corporation may issue the whole or any part of its shares as partly paid and subject to call for the remainder of the consideration to be paid therefor. Upon the face or back of each stock certificate issued to represent any such partly paid shares, or upon the books and records of the Corporation in the case of uncertificated partly paid shares, the total amount of the consideration to be paid therefor and the amount paid thereon shall be stated. Upon the declaration of any dividend on fully paid shares, the Corporation shall declare a dividend upon partly paid shares of the same class, but only upon the basis of the percentage of the consideration actually paid thereon.

7.3 SPECIAL DESIGNATION ON CERTIFICATES.

If the Corporation is authorized to issue more than one class of stock or more than one series of any class, then the powers, the designations, the preferences and the relative, participating, optional or other special rights of each class of stock or series thereof and the qualifications, limitations or restrictions of such preferences and/or rights shall be set forth in full or summarized on the face or back of the certificate that the Corporation shall issue to represent such class or series of stock; *provided, however*, that, except as otherwise provided in Section 202 of the DGCL, in lieu of the foregoing requirements, there may be set forth on the face or back of the certificate that the Corporation shall issue to represent such class or series of stock a statement that the Corporation will furnish without charge to each stockholder who so requests the powers, the designations, the preferences and the relative, participating, optional or other special rights of each class of stock or series thereof and the qualifications, limitations or restrictions of such preferences and/or rights.

7.4 LOST CERTIFICATES.

Except as provided in this Section 7.4, no new certificates for shares shall be issued to replace a previously issued certificate unless the latter is surrendered to the Corporation and cancelled at the same time. The Corporation may issue a new certificate of stock or uncertificated shares in the place of any certificate theretofore issued by it, alleged to have been lost, stolen or destroyed, and the Corporation may require the owner of the lost, stolen or destroyed certificate, or such owner's legal representative, to give the Corporation a bond sufficient to indemnify it against any claim that may be made against it on account of the alleged loss, theft or destruction of any such certificate or the issuance of such new certificate or uncertificated shares.

7.5 CONSTRUCTION; DEFINITIONS.

Unless the context requires otherwise, the general provisions, rules of construction and definitions in the DGCL shall govern the construction of these bylaws. Without limiting the generality of this provision, the singular number includes the plural, the plural number includes the singular, and the term "person" includes both a corporation and a natural person.

7.6 DIVIDENDS.

The Board, subject to any restrictions contained in either (a) the DGCL or (b) the certificate of incorporation, may declare and pay dividends upon the shares of its capital stock. Dividends may be paid in cash, in property or in shares of the Corporation's capital stock.

The Board may set apart out of any of the funds of the Corporation available for dividends a reserve or reserves for any proper purpose and may abolish any such reserve. Such purposes shall include but not be limited to equalizing dividends, repairing or maintaining any property of the Corporation, and meeting contingencies.

7.7 FISCAL YEAR.

The fiscal year of the Corporation shall be fixed by resolution of the Board and may be changed by the Board.

7.8 SEAL.

The Corporation may adopt a corporate seal, which shall be adopted and which may be altered by the Board. The Corporation may use the corporate seal by causing it or a facsimile thereof to be impressed or affixed or in any other manner reproduced.

7.9 TRANSFER OF STOCK.

Shares of the Corporation shall be transferable in the manner prescribed by law and in these bylaws. Shares of stock of the Corporation shall be transferred on the books of the Corporation only by the holder of record thereof or by such holder's attorney duly authorized in writing, upon surrender to the Corporation of the certificate or certificates representing such shares endorsed by the appropriate person or persons (or by delivery of duly executed instructions with respect to uncertificated shares), with such evidence of the authenticity of such endorsement or execution, transfer, authorization and other matters as the Corporation may reasonably require, and accompanied by all necessary stock transfer stamps. No transfer of stock shall be valid as against the Corporation for any purpose until it shall have been entered in the stock records of the Corporation by an entry showing the names of the persons from and to whom it was transferred.

7.10 STOCK TRANSFER AGREEMENTS.

The Corporation shall have power to enter into and perform any agreement with any number of stockholders of any one or more classes of stock of the Corporation to restrict the transfer of shares of stock of the Corporation of any one or more classes owned by such stockholders in any manner not prohibited by the DGCL.

7.11 REGISTERED STOCKHOLDERS.

The Corporation:

(a) shall be entitled to recognize the exclusive right of a person registered on its books as the owner of shares to receive dividends and to vote as such owner;

(b) shall be entitled to hold liable for calls and assessments the person registered on its books as the owner of shares; and

(c) shall not be bound to recognize any equitable or other claim to or interest in such share or shares on the part of another person, whether or not it shall have express or other notice thereof, except as otherwise provided by the laws of Delaware.

7.12 WAIVER OF NOTICE.

Whenever notice is required to be given under any provision of the DGCL, the certificate of incorporation or these bylaws, a written waiver, signed by the person entitled to notice, or a waiver by electronic transmission by the person entitled to notice, whether before or after the time of the event for which notice is to be given, shall be deemed equivalent to notice. Attendance of a person at a meeting shall constitute a waiver of notice of such meeting, except when the person attends a meeting for the express purpose of objecting at the beginning of the meeting, to the transaction of any business because the meeting is not lawfully called or convened. Neither the business to be transacted at, nor the purpose of, any regular or special meeting of the stockholders need be specified in any written waiver of notice or any waiver by electronic transmission unless so required by the certificate of incorporation or these bylaws.

ARTICLE VIII - NOTICE BY ELECTRONIC TRANSMISSION

8.1 NOTICE BY ELECTRONIC TRANSMISSION.

Without limiting the manner by which notice otherwise may be given effectively to stockholders pursuant to the DGCL, the certificate of incorporation or these bylaws, any notice to stockholders given by the Corporation under any provision of the DGCL, the certificate of incorporation or these bylaws shall be effective if given by a form of electronic transmission consented to by the stockholder to whom the notice is given. Any such consent shall be revocable by the stockholder by written notice to the Corporation. Any such consent shall be deemed revoked if:

(a) the Corporation is unable to deliver by electronic transmission two (2) consecutive notices given by the Corporation in accordance with such consent; and

(b) such inability becomes known to the secretary or an assistant secretary of the Corporation or to the transfer agent, or other person responsible for the giving of notice.

However, the inadvertent failure to treat such inability as a revocation shall not invalidate any meeting or other action.

Any notice given pursuant to the preceding paragraph shall be deemed given:

(a) if by facsimile telecommunication, when directed to a number at which the stockholder has consented to receive notice;

(b) if by electronic mail, when directed to an electronic mail address at which the stockholder has consented to receive notice;

(c) if by a posting on an electronic network together with separate notice to the stockholder of such specific posting, upon the later of (i) such posting and (ii) the giving of such separate notice; and

(d) if by any other form of electronic transmission, when directed to the stockholder.

An affidavit of the secretary or an assistant secretary of the Corporation or of the transfer agent or other agent of the Corporation that the notice has been given by a form of electronic transmission shall, in the absence of fraud, be prima facie evidence of the facts stated therein.

8.2 DEFINITION OF ELECTRONIC TRANSMISSION.

For the purposes of these bylaws, an "electronic transmission" means any form of communication, not directly involving the physical transmission of paper, that creates a record that may be retained, retrieved and reviewed by a recipient thereof, and that may be directly reproduced in paper form by such a recipient through an automated process.

ARTICLE IX - INDEMNIFICATION AND ADVANCEMENT

9.1 ACTIONS, SUITS AND PROCEEDINGS OTHER THAN BY OR IN THE RIGHT OF THE CORPORATION.

The Corporation shall 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, whether civil, criminal, administrative or investigative (other than an action by or in the right of the Corporation) by reason of the fact that he or she is or was, or has agreed to become, a director or officer of the Corporation, or, while a director or officer of the Corporation, is or was serving, or has agreed to serve, at the request of the Corporation, as a director, officer, partner, employee or trustee of, or in a similar capacity with, another corporation, partnership, joint venture, trust or other enterprise (including, without limitation, any employee benefit plan) (all such persons being referred to hereafter as an "Indemnitee"), or by reason of any action alleged to have been taken or omitted in such capacity, against all expenses (including, without limitation, attorneys' fees), liabilities, losses, judgments, fines (including, without limitation, excise taxes and penalties arising under the Employee Retirement Income Security Act of 1974), and amounts paid in settlement actually and reasonably incurred by or on behalf of Indemnitee in connection with such action, suit or proceeding and any appeal therefrom, if Indemnitee acted in good faith and in a manner which Indemnitee reasonably believed to be in, or not opposed to, the best interests of the Corporation, and, with respect to any criminal action or proceeding, had no reasonable cause to believe his or her conduct was unlawful. The termination of any action, suit or proceeding by judgment, order, settlement, conviction or upon a plea of nolo contendere or its equivalent, shall not, of itself, create a presumption that Indemnitee did not act in good faith and in a manner which Indemnitee reasonably believed to be in, or not opposed to, the best interests of the Corporation, and, with respect to any criminal action or proceeding, had reasonable cause to believe that his or her conduct was unlawful.

9.2 ACTIONS OR SUITS BY OR IN THE RIGHT OF THE CORPORATION.

The Corporation shall indemnify any Indemnitee who was or is a party to or threatened to be made a party to any threatened, pending or completed action or suit by or in the right of the Corporation to procure a judgment in its favor by reason of the fact that Indemnitee is or was, or has agreed to become, a director or officer of the Corporation, or, while a director or officer of the Corporation, is or was serving, or has agreed to serve, at the request of the Corporation, as a director, officer, partner, employee or trustee of, or in a similar capacity with, another corporation, partnership, joint venture, trust or other enterprise (including, without limitation, any employee benefit plan), or by reason of any action alleged to have been taken or omitted in such capacity, against all expenses (including, without limitation, attorneys' fees) actually and reasonably incurred by or on behalf of Indemnitee in connection with such action, suit or proceeding and any appeal therefrom, if Indemnitee acted in good faith and in a manner which Indemnitee reasonably believed to be in, or not opposed to, the best interests of the Corporation, except that no indemnification shall be made under this Section 9.2 in respect of any claim, issue or matter as to which Indemnitee shall have been adjudged to be liable to the Corporation, unless, and only to the extent, that the Court of Chancery of Delaware or the court in which such action or suit was brought shall determine upon application that, despite the adjudication of such liability but in view of all the circumstances of the case, Indemnitee is fairly and reasonably entitled to indemnity for such expenses (including, without limitation, attorneys' fees) which the Court of Chancery of Delaware or such other court shall deem proper.

9.3 INDEMNIFICATION FOR EXPENSES OF SUCCESSFUL PARTY.

Notwithstanding any other provisions of this Article IX, to the extent that an Indemnitee has been successful, on the merits or otherwise, in defense of any action, suit or proceeding referred to in Sections 9.1 and 9.2 of these bylaws, or in defense of any claim, issue or matter therein, or on appeal from any such action, suit or proceeding, Indemnitee shall be indemnified against all expenses (including, without limitation, attorneys' fees) actually and reasonably incurred by or on behalf of Indemnitee in connection therewith. Without limiting the foregoing, if any action, suit or proceeding is disposed of, on the merits or otherwise (including, without limitation, a disposition without prejudice), without (a) the disposition being adverse to Indemnitee, (b) an adjudication that Indemnitee was liable to the Corporation, (c) a plea of guilty or nolo contendere by Indemnitee, (d) an adjudication that Indemnitee did not act in good faith and in a manner he or she reasonably believed to be in or not opposed to the best interests of the Corporation and (e) with respect to any criminal proceeding, an adjudication that Indemnitee had reasonable cause to believe his or her conduct was unlawful, Indemnitee shall be considered for the purposes hereof to have been wholly successful with respect thereto.

9.4 NOTIFICATION AND DEFENSE OF CLAIM.

As a condition precedent to an Indemnitee's right to be indemnified, such Indemnitee must notify the Corporation in writing as soon as practicable of any action, suit, proceeding or investigation involving such Indemnitee for which indemnity will or could be sought. With respect to any action, suit, proceeding or investigation of which the Corporation is so notified, the Corporation will be entitled to participate therein at its own expense and/or to assume the defense thereof at its own expense, with legal counsel reasonably acceptable to Indemnitee. After notice from the Corporation to Indemnitee of its election so to assume such defense, the Corporation shall not be liable to Indemnitee for any legal or other expenses subsequently incurred by Indemnitee in connection with such action, suit, proceeding or investigation, other than as provided below in this Section 9.4. Indemnitee shall have the right to employ

his or her own counsel in connection with such action, suit, proceeding or investigation, but the fees and expenses of such counsel incurred after notice from the Corporation of its assumption of the defense thereof shall be at the expense of Indemnitee unless (a) the employment of counsel by Indemnitee has been authorized by the Corporation, (b) counsel to Indemnitee shall have reasonably concluded that there may be a conflict of interest or position on any significant issue between the Corporation and Indemnitee in the conduct of the defense of such action, suit, proceeding or investigation or (c) the Corporation shall not in fact have employed counsel to assume the defense of such action, suit, proceeding or investigation, in each of which cases the fees and expenses of counsel for Indemnitee shall be at the expense of the Corporation, except as otherwise expressly provided by this Article IX. The Corporation shall not be entitled, without the consent of Indemnitee, to assume the defense of any claim brought by or in the right of the Corporation or as to which counsel for Indemnitee shall have reasonably made the conclusion provided for in clause (b) above. The Corporation shall not be required to indemnify Indemnitee under this Article IX for any amounts paid in settlement of any action, suit, proceeding or investigation effected without its written consent. The Corporation shall not settle any action, suit, proceeding or investigation in any manner which would impose any penalty or limitation on Indemnitee without Indemnitee's written consent. Neither the Corporation nor Indemnitee will unreasonably withhold or delay its consent to any proposed settlement.

9.5 ADVANCE OF EXPENSES.

Subject to the provisions of Sections 9.4 and 9.6 of these bylaws, in the event of any threatened or pending action, suit, proceeding or investigation of which the Corporation receives notice under this Article IX, any expenses (including, without limitation, attorneys' fees) incurred by or on behalf of Indemnitee in defending an action, suit, proceeding or investigation or any appeal therefrom shall be paid by the Corporation in advance of the final disposition of such matter; *provided*, *however*, that the payment of such expenses incurred by or on behalf of Indemnitee in advance of the final disposition of such matter shall be made only upon receipt of an undertaking by or on behalf of Indemnitee to repay all amounts so advanced in the event that it shall ultimately be determined by final judicial decision from which there is no further right to appeal that Indemnitee is not entitled to be indemnified by the Corporation as authorized in this Article IX; and provided further that no such advancement of expenses shall be made under this Article IX if it is determined (in the manner described in Section 9.6 of these bylaws) that (a) Indemnitee did not act in good faith and in a manner he or she reasonably

believed to be in, or not opposed to, the best interests of the Corporation, or (b) with respect to any criminal action or proceeding, Indemnitee had reasonable cause to believe his or her conduct was unlawful. Such undertaking shall be accepted without reference to the financial ability of Indemnitee to make such repayment.

9.6 PROCEDURE FOR INDEMNIFICATION AND ADVANCEMENT OF EXPENSES.

In order to obtain indemnification or advancement of expenses pursuant to Section 9.1, 9.2, 9.3 or 9.5 of these bylaws, an Indemnitee shall submit to the Corporation a written request. Any such advancement of expenses shall be made promptly, and in any event within 60 days after receipt by the Corporation of the written request of Indemnitee, unless (a) the Corporation has assumed the defense pursuant to Section 9.4 of these bylaws (and none of the circumstances described in Section 9.4 of these bylaws that would nonetheless entitle the Indemnitee to indemnification for the fees and expenses of separate counsel have occurred) or (b) the Corporation determines within such 60-day period that Indemnitee did not meet the applicable standard of conduct set forth in Section 9.1, 9.2 or 9.5 of these bylaws, as the case may be. Any such indemnification, unless ordered by a court, shall be made with respect to requests under Section 9.1 or 9.2 of these bylaws only as authorized in the specific case upon a

determination by the Corporation that the indemnification of Indemnitee is proper because Indemnitee has met the applicable standard of conduct set forth in Section 9.1 or 9.2 of these bylaws, as the case may be. Such determination shall be made in each instance (a) by a majority vote of the directors of the Corporation consisting of persons who are not at that time parties to the action, suit or proceeding in question ("disinterested directors"), whether or not a quorum, (b) by a committee of disinterested directors designated by majority vote of disinterested directors, whether or not a quorum, (c) if there are no disinterested directors, or if the disinterested directors so direct, by independent legal counsel (who may, to the extent permitted by law, be regular legal counsel to the Corporation) in a written opinion or (d) by the stockholders of the Corporation.

9.7 REMEDIES.

The right to indemnification or advancement of expenses as granted by this Article IX shall be enforceable by Indemnitee in any court of competent jurisdiction. Neither the failure of the Corporation to have made a determination prior to the commencement of such action that indemnification is proper in the circumstances because Indemnitee has met the applicable standard of conduct, nor an actual determination by the Corporation pursuant to Section 9.6 of these bylaws that Indemnitee has not met such applicable standard of conduct, shall be a defense to the action or create a presumption that Indemnitee has not met the applicable standard of conduct. In any suit brought by Indemnitee to enforce a right to indemnification or advancement, or brought by the Corporation to recover an advancement of expenses pursuant to the terms of an undertaking, the Corporation shall have the burden of proving that Indemnitee is not entitled to be indemnified, or to such advancement of expenses, under this Article IX. Indemnitee's expenses (including, without limitation, attorneys' fees) reasonably incurred in connection with successfully establishing Indemnitee's right to indemnification or advancement, in whole or in part, in any such proceeding shall also be indemnified by the Corporation to the fullest extent permitted by law. Notwithstanding the foregoing, in any suit brought by Indemnitee to enforce a right to indemnification hereunder it shall be a defense that the Indemnitee has not met any applicable standard for indemnification set forth in the DGCL.

9.8 LIMITATIONS.

Notwithstanding anything to the contrary in this Article IX, except as set forth in Section 9.7 of these bylaws, the Corporation shall not indemnify an Indemnitee pursuant to this Article IX in connection with a proceeding (or part thereof) initiated by such Indemnitee unless the initiation thereof was approved by the Board. Notwithstanding anything to the contrary in this Article IX, the Corporation shall not indemnify (or advance expenses to) an Indemnitee to the extent such Indemnitee is reimbursed (or advanced expenses) from the proceeds of insurance, and in the event the Corporation makes any indemnification (or advancement) payments to an Indemnitee and such Indemnitee is subsequently reimbursed from the proceeds of insurance, such Indemnitee shall promptly refund indemnification (or advancement) payments to the Corporation to the extent of such insurance reimbursement.

9.9 SUBSEQUENT AMENDMENT.

No amendment, termination or repeal of this Article IX or of the relevant provisions of the DGCL or any other applicable laws shall adversely affect or diminish in any way the rights of any Indemnitee to indemnification or advancement of expenses under the provisions hereof with respect to any action, suit, proceeding or investigation arising out of or relating to any actions, transactions or facts occurring prior to the final adoption of such amendment, termination or repeal.

9.10 OTHER RIGHTS.

The indemnification and advancement of expenses provided by this Article IX shall not be deemed exclusive of any other rights to which an Indemnitee seeking indemnification or advancement of expenses may be entitled under any law (common or statutory), agreement or vote of stockholders or disinterested directors or otherwise, both as to action in Indemnitee's official capacity and as to action in any other capacity while holding office for the Corporation, and shall continue as to an Indemnitee who has ceased to be a director or officer, and shall inure to the benefit of the estate, heirs, executors and administrators of Indemnitee. Nothing contained in this Article IX shall be deemed to prohibit, and the Corporation is specifically authorized to enter into, agreements with officers and directors providing indemnification and advancement rights and procedures different from those set forth in this Article IX. In addition, the Corporation may, to the extent authorized from time to time by the Board, grant indemnification and advancement rights to other employees or agents of the Corporation or other persons serving the Corporation and such rights may be equivalent to, or greater or less than, those set forth in this Article IX.

9.11 PARTIAL INDEMNIFICATION.

If an Indemnitee is entitled under any provision of this Article IX to indemnification by the Corporation for some or a portion of the expenses (including, without limitation, attorneys' fees), liabilities, losses, judgments, fines (including, without limitation, excise taxes and penalties arising under the Employee Retirement Income Security Act of 1974) or amounts paid in settlement actually and reasonably incurred by or on behalf of Indemnitee in connection with any action, suit, proceeding or investigation and any appeal therefrom but not, however, for the total amount thereof, the Corporation shall nevertheless indemnify Indemnitee for the portion of such expenses (including, without limitation, attorneys' fees), liabilities, losses, judgments, fines (including, without limitation, excise taxes and penalties arising under the Employee Retirement Income Security Act of 1974) or amounts paid in settlement to which Indemnitee is entitled.

9.12 INSURANCE.

The Corporation may purchase and maintain insurance, at its expense, to protect itself and any director, officer, employee or agent of the Corporation or another corporation, partnership, joint venture, trust or other enterprise (including, without limitation, any employee benefit plan) against any expense, liability or loss incurred by him or her in any such capacity, or arising out of his or her status as such, whether or not the Corporation would have the power to indemnify such person against such expense, liability or loss under the DGCL.

9.13 SAVINGS CLAUSE.

If this Article IX or any portion hereof shall be invalidated on any ground by any court of competent jurisdiction, then the Corporation shall nevertheless indemnify each Indemnitee as to any expenses (including, without limitation, attorneys' fees), liabilities, losses, judgments, fines (including, without limitation, excise taxes and penalties arising under the Employee Retirement Income Security Act of 1974) and amounts paid in settlement in connection with any action, suit, proceeding or investigation, whether civil, criminal or administrative, including, without limitation, an action by or in the right of the Corporation, to the fullest extent permitted by any applicable portion of this Article IX that shall not have been invalidated and to the fullest extent permitted by applicable law.

9.14 DEFINITIONS.

Terms used in this Article IX and defined in Section 145(h) and Section 145(i) of the DGCL shall have the respective meanings assigned to such terms in such Section 145(h) and Section 145(i).

ARTICLE X - AMENDMENTS.

Subject to the limitations set forth in Section 9.9 of these bylaws or the provisions of the certificate of incorporation, the Board is expressly empowered to adopt, amend or repeal the bylaws of the Corporation. The stockholders also shall have power to adopt, amend or repeal the bylaws of the Corporation; *provided*, *however*, that, in addition to any vote of the holders of any class or series of stock of the Corporation required by law or by the certificate of incorporation, such action by stockholders shall require the affirmative vote of the holders of at least two-thirds in voting power of the outstanding shares of capital stock of the Corporation entitled to vote thereon.

THE CORPORATION WILL FURNISH WITHOUT CHARGE TO EACH STOCKHOLDER WHO SO REQUESTS, THE POWERS, DESIGNATIONS, PREFERENCES AND RELATIVE, PARTICIPATING, OPTIONAL OR OTHER SPECIAL RIGHTS OF EACH CLASS OF STOCK OF THE CORPORATION AND THE QUALIFICATIONS, LIMITATIONS OR RESTRICTIONS OF SUCH PREFERENCES AND/OR RIGHTS.

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
JT TEN	– as joint tenants with right of survivorship and not as tenants in common	Act _____ (State)

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

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

PLEASE INSERT SOCIAL SECURITY OR OTHER IDENTIFYING NUMBER OF ASSIGNEE

_____

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(es) hereby irrevocably constitute and appoint

_____

_____ Attorney

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

Dated _____

X _____

X _____

NOTICE: THE SIGNATURE(S) TO THIS ASSIGNMENT MUST CORRESPOND WITH THE NAME(S) AS WRITTEN UPON THE FACE OF THE CERTIFICATE IN EVERY PARTICULAR WITHOUT ALTERATION OR ENLARGEMENT OR ANY CHANGE WHATEVER.

Signature(s) Guaranteed:

_____

THE SIGNATURE(S) MUST 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.

Exhibit 4.2

Execution Version

T2 BIOSYSTEMS, INC.

FOURTH AMENDED AND RESTATED INVESTORS' RIGHTS AGREEMENT

March 22, 2013

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T2 BIOSYSTEMS, INC.

FOURTH AMENDED AND RESTATED INVESTORS' RIGHTS AGREEMENT

This Fourth Amended and Restated Investors' Rights Agreement (this **"Agreement"**) is made as of March 22, 2013, by and among T2 Biosystems, Inc., a Delaware corporation (the **"Company"**), and the persons and entities listed on Exhibit A hereto (each, an **"Investor"** or a **"Preferred Holder"** and collectively, the **"Investors"** or the **"Preferred Holders"**). Unless otherwise defined herein, capitalized terms used in this Agreement have the meanings ascribed to them in Section 1.

RECITALS

WHEREAS, certain of the Investors are parties to the Series E Convertible Preferred Stock Purchase Agreement of even date herewith, among the Company and the Investors listed on the Schedule of Investors thereto (the **"Purchase Agreement"**), and it is a condition to the closing of the sale of the Series E Preferred Stock to such Investors (the **"Series E Investors"**) that the parties to the Purchase Agreement execute and deliver this Agreement;

WHEREAS, the Company and certain of the Investors are parties to the Third Amended and Restated Investors' Rights Agreement dated as of August 3, 2011 (the **"Investors' Rights Agreement"**), which can be amended with the written consent of the Company and Holders (as defined therein) of at least a majority of the Registrable Securities (as defined therein); and

WHEREAS, the Company and the undersigned Investors comprising of Holders of at least a majority of the Registrable Securities now desire to amend and restate the Investors' Rights Agreement to facilitate the sale of shares of Series E Preferred Stock to the Series E Investors.

NOW, THEREFORE: In consideration of the mutual promises and covenants set forth herein, and other consideration, the receipt of and adequacy of which is hereby acknowledged, the parties hereto further agree as follows:

Section 1
Definitions.

1.1 *Certain Definitions.* As used in this Agreement, the following terms shall have the meanings set forth below:

(a) **"Closing"** shall mean the date of the sale of shares of the Company's Series E Preferred Stock pursuant to the Purchase Agreement.

(b) **"Commission"** shall mean the Securities and Exchange Commission or any other federal agency at the time administering the Securities Act.

(c) **"Common Stock"** shall mean the Common Stock, par value $0.001 per share of the Company.

(d) **"Exchange Act"** shall mean the Securities Exchange Act of 1934, as amended, or any similar successor federal statute and the rules and regulations thereunder, all as the same shall be in effect from time to time.

(e) **"Founder"** shall mean any of Michael Cima, Tyler Jacks, Lee Josephson, Robert Langer, W. David Lee or Ralph Weissleder.

(f) **"Holder"** shall mean (i) any Investor that holds Registrable Securities and (ii) any holder of Registrable Securities to whom the registration rights conferred by this Agreement have been duly and validly transferred in accordance with Section 2.12 of this Agreement; provided, however, that for purposes of this Agreement, a record holder of shares of Preferred Stock convertible into such Registrable Securities shall be deemed to be the Holder of such Registrable Securities; provided, further, that the Company shall in no event be obligated to register shares of Preferred Stock, and that Holders of Registrable Securities will not be required to convert their shares of Preferred Stock into Common Stock in order to exercise the registration rights granted hereunder, until immediately before the closing of the offering to which the registration relates.

(g) **"Indemnified Party"** shall have the meaning set forth in Section 2.6(c) hereof.

(h) **"Indemnifying Party"** shall have the meaning set forth in Section 2.6(c) hereof.

(i) **"Initial Public Offering"** shall mean the closing of the Company's first firm commitment underwritten public offering of the Company's Common Stock registered under the Securities Act.

(j) **"Initiating Holders"** shall mean, collectively, Holders who properly initiate a registration request under this Agreement.

(k) **"Investors"** shall mean the persons and entities listed on Exhibit A hereto.

(1) **"Management Rights Letter"** shall mean that certain Management Rights Letter by and among the Company and Broad Street Principal Investments, L.L.C., Bridge Street 2013 Holdings, L.P. and MBD 2013 Holdings, L.P. of even date herewith and the Management Rights Letters between the Company and each of (i) Aisling Capital III, LP, (ii) Flagship Ventures Fund 2004, L.P. and Flagship Ventures Fund IV, L.P., (iii) Flybridge Capital Partners I,L.P. and Flybridge Capital Partners II, L.P., (iv) Physic Ventures, L.P. and (v) Polaris Venture Partners V, L.P., Polaris Venture Partners Entrepreneurs' Fund V, L.P., Polaris Venture Partners Founders' Fund V, L.P. and Polaris Venture Partners Special Founders' Fund V, L.P., dated August 3, 2011.

(m) **"New Securities"** shall have the meaning set forth in Section 4.1(a) hereof.

(n) **"Preferred Conversion Stock"** shall mean the shares of Common Stock issued upon conversion of the Preferred Stock.

(o) **"Preferred Holders"** shall have the meaning set forth in the Preamble hereto.

(p) **"Preferred Stock"** shall mean the Company's Series A-1 Convertible Preferred Stock, par value $0.001 per share, the Company's Series A-2 Convertible Preferred Stock, $0.001 par value per share, the Company's Series B Convertible Preferred Stock, par value $0.001 per share, the Company's Series C Convertible Preferred Stock, par value $0.001 per share, the Company's Series D Convertible Preferred Stock, par value $0.001 per share and the Series E Preferred Stock, par value $0.001 per share.

(q) **"Purchase Agreement"** shall have the meaning set forth in the Recitals hereto.

(r) **"Registrable Securities"** shall mean (i) shares of Common Stock issuable or issued pursuant to the conversion of the Shares, (ii) shares of Common Stock issued or issuable upon conversion of any capital stock of the Company acquired by the Investors after the date hereof and (iii) any Common Stock issued as a dividend or other distribution with respect to or in exchange for or in replacement of the shares referenced in (i) or (ii) above; provided, however, that Registrable Securities shall not include any shares of Common Stock described in clause (i) or (ii) above which have previously been registered or which have been sold to the public through a registration statement or could be sold pursuant to Rule 144, or which have been sold in a private transaction in which the transferor's rights under this Agreement are not validly assigned in accordance with this Agreement.

(s) The terms **"register," "registered"** and **"registration"** shall refer to a registration effected by preparing and filing a registration statement in compliance with the Securities Act and applicable rules and regulations thereunder, and the declaration or ordering of the effectiveness of such registration statement.

(t) **"Registration Expenses"** shall mean all expenses incurred by the Company in effecting any registration pursuant to this Agreement, including, without limitation, all registration, qualification, and filing fees, printing expenses, accounting fees, escrow fees, fees and disbursements of counsel for the Company, fees and disbursements of one special counsel for the Holders (selected by a majority-in-interest of the Holders) not to exceed $50,000, blue sky fees and expenses, and expenses of any regular or special audits incident to or required by any such registration, but shall not include Selling Expenses, fees and disbursements of other counsel for the Holders and the compensation of regular employees of the Company, which shall be paid in any event by the Company.

(u) **"Requisite Share Amount"** shall have the meaning set forth in Section 3.1 hereof.

(v) **"Restated Certificate of Incorporation"** shall mean the Company's Restated Certificate of Incorporation, as may be amended and/or restated from time to time.

(w) **"Restricted Securities"** shall mean any Registrable Securities required to bear the first legend set forth in Section 2.8(b) hereof.

(x) **"Rule 144"** shall mean Rule 144 as promulgated by the Commission under the Securities Act, as such Rule may be amended from time to time, or any similar successor rule that may be promulgated by the Commission.

(y) **"Rule 145"** shall mean Rule 145 as promulgated by the Commission under the Securities Act, as such Rule may be amended from time to time, or any similar successor rule that may be promulgated by the Commission.

(z) **"Securities Act"** shall mean the Securities Act of 1933, as amended, or any similar successor federal statute and the rules and regulations thereunder, all as the same shall be in effect from time to time.

(aa) **"Selling Expenses"** shall mean all underwriting discounts, selling commissions and stock transfer taxes applicable to the sale of Registrable Securities and fees and disbursements of counsel for any Holder (other than the fees and disbursements of one special counsel to the Holders not to exceed $50,000 included in Registration Expenses).

(bb) **"Series E Preferred Stock"** shall mean shares of the Company's Series E Convertible Preferred Stock, par value $0.001 per share.

(cc) **"Shares"** shall mean (i) Preferred Stock issued to the Investors by the Company, and (ii) any securities issued with respect to the foregoing upon any stock split, stock dividend, recapitalization, or similar event or upon any conversion.

(dd) **"Transaction Documents"** shall mean (i) the Purchase Agreement, (ii) that certain Fourth Amended and Restated Stockholders' Voting Agreement by and among the Company, the Investors and certain other stockholders named therein of even date herewith and (iii) that certain Fourth Amended and Restated Right of First Refusal and Co-Sale Agreement by and among the Company, the Investors and certain other stockholders named therein of even date herewith.

Section 2
Registration Rights

2.1 *Requested Registration.*

(a) Request for Registration. Subject to the conditions set forth in this Section 2.1, if the Company shall receive from Initiating Holders a written request signed by such Initiating Holders that the Company effect any registration with respect to at least thirty percent (30%) of the Registrable Securities (or a lesser amount if such offering shall have an aggregate offering price to the public of not less than Ten Million Dollars ($10,000,000) net of underwriting discounts and commissions) (such request shall state the number of shares of Registrable Securities to be disposed of by such Initiating Holders), the Company will:

(i) promptly give written notice of the proposed registration to all other Holders; and

(ii) as soon as practicable, file and use its commercially reasonable efforts to effect such registration (including, without limitation, filing post-effective amendments, appropriate qualifications under applicable blue sky or other state securities laws, and appropriate compliance with the Securities Act) and to permit or facilitate the sale and distribution of all or such portion of such Registrable Securities as are specified in such request, together with all or such portion of the Registrable Securities of any Holder or Holders joining in such request as are specified in a written request received by the Company within ten (10) days after such written notice from the Company is mailed or delivered; provided that, unless a registration pursuant to this Section 2.1 is the Initial Public Offering, the Company also shall use its reasonable best efforts to file the registration statement within sixty (60) days of the receipt of the request from the Initiating Holders.

(b) Limitations on Requested Registration. The Company shall not be obligated to effect, or to take any action to effect, any such registration pursuant to this Section 2.1:

(i) Prior to the earlier of (A) March 22, 2015 or (B) six (6) months following the effective date of the Initial Public Offering;

(ii) In any particular jurisdiction in which the Company would be required to execute a general consent to service of process in effecting such registration, qualification, or compliance, unless the Company is already subject to service in such jurisdiction and except as may be required by the Securities Act;

(iii) After the Company has initiated two (2) such registrations pursuant to this Section 2.1 (counting for these purposes only registrations which have been declared or ordered effective and pursuant to which securities have been sold); or

(iv) During the period starting with the date sixty (60) days prior to the Company's good faith estimate of the date of filing of, and ending on a date one hundred eighty (180) days after the effective date of, a Company-initiated registration; provided that the Company is actively employing, in good faith, commercially reasonable efforts to cause such registration statement to become effective.

(c) Deferral. If (i) in the good faith judgment of the Board of Directors of the Company (the **"Board"),** the filing of a registration statement covering the Registrable Securities would be materially detrimental to the Company and the Board concludes, as a result, that it is in the best interests of the Company to defer the filing of such registration statement at such time, and (ii) the Company shall furnish to such Holders a certificate signed by the President of the Company stating that in the good faith judgment of the Board, it would be materially detrimental to the Company for such registration statement to be filed in the near future and that it is, therefore, in the best interests of the Company to defer the filing of such registration statement, then (in addition to the limitations set forth in Section 2.1(b)(iv) above) the Company shall have the right to defer such filing for a period of not more than sixty (60) days after receipt of the request of the Initiating Holders, and, provided further, that the Company shall not defer its obligation in this manner more than once in any twelve-month period.

(d) Underwriting. If the Initiating Holders intend to distribute the Registrable Securities covered by their request by means of an underwriting, they shall so advise the Company as a part of their request made pursuant to this Section 2.1 and the Company shall include such information in the written notice referred to in Section 2.1(a)(i). In such event, the right of any Holder to include all or any portion of its Registrable Securities in a registration pursuant to this Section 2.1 shall be conditioned upon such Holder's participation in such underwriting and the inclusion of such Holder's Registrable Securities to the extent provided herein. If the Company shall request inclusion in any registration pursuant to Section 2.1 of securities being sold for its own account, or if other persons shall request inclusion in any registration pursuant to Section 2.1, the Initiating Holders shall, on behalf of all Holders, offer to include such securities in the underwriting and such offer shall be conditioned upon the participation of the Company or such other persons in such underwriting and the inclusion of the Company's and such person's other securities of the Company and their acceptance of the further applicable provisions of this Section 2 (including Section 2.10). The Company shall (together with all Holders proposing to distribute their securities through such underwriting) enter into an underwriting agreement in customary form with the representative of the underwriter or underwriters selected for such underwriting by the Company and approved by Holders of at least a majority of the Registrable Securities.

Notwithstanding any other provision of this Section 2.1, if the underwriters advise the Initiating Holders in writing that marketing factors require a limitation on the number of shares to be underwritten, the number of Registrable Securities that may be so included shall be apportioned pro rata among the selling Holders based on the number of Registrable Securities held by all selling Holders or in such other proportions as shall mutually be agreed to by all such selling Holders. In no event shall Registrable Securities be excluded from such registration unless all other stockholders' securities (including securities for the account of the Company) have been first excluded.

If a person who has requested inclusion in such registration as provided above does not agree to the terms of any such underwriting, such person shall be excluded therefrom by written notice from the Company, the underwriter or the Initiating Holders. The securities so excluded shall also be withdrawn from registration. Any Registrable Securities or other securities excluded or withdrawn from such underwriting shall also be withdrawn from such registration. If shares are so withdrawn from the registration and if the number of shares to be included in such registration was previously reduced as a result of marketing factors pursuant to this Section 2.1(d), then the Company shall then offer to all Holders who have retained rights to include securities in the registration the right to include additional Registrable Securities in the registration in an aggregate amount equal to the number of shares so withdrawn, with such shares to be allocated among such Holders requesting additional inclusion, as set forth above.

2.2 *Company Registration.*

(a) Company Registration. If the Company shall determine to register any of its securities either for its own account or the account of a security holder or holders, other than a registration pursuant to Sections 2.1 or 2.3, a registration relating solely to employee benefit plans, a registration relating to the offer and sale of debt securities, a registration relating to a corporate reorganization or other Rule 145 transaction, or a registration on any registration form that does not permit secondary sales, the Company will:

(i) promptly give written notice of the proposed registration to all Holders; and

(ii) include in such registration (and any related qualification under blue sky laws or other compliance), except as set forth in Section 2.2(b) below, and in any underwriting involved therein, all of such Registrable Securities as are specified in a written request or requests made by any Holder or Holders received by the Company within twenty (20) days after such written notice from the Company is mailed or delivered. Such written request may specify all or a part of a Holder's Registrable Securities. If a Holder decides not to include all of its Registrable Securities in any registration statement thereafter filed by the Company, such Holder shall nevertheless continue to have the right to include any Registrable Securities in any subsequent registration statement or registration statements as may be filed by the Company with respect to offerings of its securities, all upon the terms and conditions set forth herein.

(b) Underwriting. If the registration of which the Company gives notice is for a registered public offering involving an underwriting, the Company shall so advise the Holders as a part of the written notice given pursuant to Section 2.2(a)(i). In such event, the right of any Holder to registration pursuant to this Section 2.2 shall be conditioned upon such Holder's participation in such

underwriting and the inclusion of such Holder's Registrable Securities in the underwriting to the extent provided herein. All Holders proposing to distribute their securities through such underwriting shall (together with the Company and the other holders of securities of the Company with registration rights to participate therein distributing their securities through such underwriting) enter into an underwriting agreement in customary form with the representative of the underwriter or underwriters selected by the Company.

Notwithstanding any other provision of this Section 2.2, if the underwriters advise the Company in writing that marketing factors require a limitation on the number of shares to be underwritten, the underwriters may (subject to the limitations set forth below) limit the number of Registrable Securities to be included in the registration and underwriting. In no event shall any Registrable Securities be excluded from such registration and underwriting unless all other stockholders' securities have been first excluded. In the event that the underwriters determine that less than all of the Registrable Securities requested to be registered can be included in such registration and underwriting, then the Registrable Securities that are included in such registration and underwriting shall be apportioned pro rata among the selling Holders based on the number of Registrable Securities held by all selling Holders or in such other proportions as shall mutually be agreed to by all such selling Holders. Notwithstanding the foregoing, in no event shall the amount of securities of the selling Holders included in the registration and underwriting be reduced below thirty percent (30%) of the total amount of securities included in such registration and underwriting, unless such registration is the Initial Public Offering, in which case the selling Holders may be excluded if the underwriters make the determination described above.

If a person who has requested inclusion in such registration as provided above does not agree to the terms of any such underwriting, such person shall also be excluded therefrom by written notice from the Company or the underwriter. The securities so excluded shall also be withdrawn from such registration. Any Registrable Securities or other securities excluded or withdrawn from such underwriting shall be withdrawn from such registration.

(c) Right to Terminate Registration. The Company shall have the right to terminate or withdraw any registration initiated by it under this Section 2.2 prior to the effectiveness of such registration whether or not any Holder has elected to include securities in such registration.

2.3 *Registration on Form S-3.*

(a) Request for Form S-3 Registration. If the Company is then qualified for the use of Form S-3, in addition to the rights contained in the foregoing provisions of this Section 2 and subject to the conditions set forth in this Section 2.3, if the Company shall receive from Initiating Holders a written request signed by such Initiating Holders that the Company effect any registration on Form S-3 or any similar short form registration statement with respect to all or part of the Registrable Securities (such request shall state the number of shares of Registrable Securities to be disposed of and the intended methods of disposition of such shares by such Holder or Holders), the Company will take all such action with respect to such Registrable Securities as required by Sections 2.1(a)(i) and 2.1(a)(ii); provided, that in the case of a registration pursuant to this Section 2.3, the Company also shall use its reasonable best efforts to file the registration statement within sixty (60) days of the receipt of the request from the Initiating Holders.

(b) Limitations on Form S-3 Registration. The Company shall not be obligated to effect, or take any action to effect, any such registration pursuant to this Section 2.3:

(i) In the circumstances described in either Sections 2.1(b)(ii) or 2.1(b)(iv);

(ii) If the Initiating Holders, together with the holders of any other securities of the Company entitled to inclusion in such registration, propose to sell Registrable Securities and such other securities (if any) on Form S-3 at an aggregate price to the public (net of any underwriters' discounts and commissions) of less than Three Million Dollars ($3,000,000); or

(iii) If, in a given six-month period, the Company has effected one (1) such registration in such period.

(c) Deferral. The provisions of Section 2.1(c) shall apply to any registration pursuant to this Section 2.3.

(d) Underwriting. If the Initiating Holders requesting registration under this Section 2.3 intend to distribute the Registrable Securities covered by their request by means of an underwriting, the provisions of Section 2.1(d) shall apply to such registration. Notwithstanding anything contained herein to the contrary, registrations effected pursuant to this Section 2.3 shall not be counted as requests for registration or registrations effected pursuant to Section 2.1.

2.4 *Expenses of Registration.* All Registration Expenses incurred in connection with registrations pursuant to Sections 2.1, 2.2 and 2.3 hereof shall be borne by the Company; provided, however, that the Company shall not be required to pay for any expenses of any registration proceeding begun pursuant to Sections 2.1 and 2.3 if the registration request is subsequently withdrawn at the request of the Holders of a majority of the Registrable Securities to be registered or because a sufficient number of Holders shall have withdrawn so that the minimum offering

conditions set forth in Sections 2.1 and 2.3 are no longer satisfied (in which case all participating Holders shall bear such expenses pro rata among each other based on the number of Registrable Securities requested to be so registered), unless the Holders of a majority of the Registrable Securities agree to forfeit their right to one demand registration pursuant to Section 2.1(a); and provided further, however, that if at the time of such withdrawal, the Holders have learned of a material adverse change in the condition, business, or prospects of the Company from that known to the Holders at the time of their request and have withdrawn the request with reasonable promptness following disclosure by the Company of such material adverse change, then the Holders shall not be required to pay any of such expenses and shall retain their rights pursuant to Section 2.1 or 2.3. All Selling Expenses shall be borne pro rata by the selling Holders based on the number of Registrable Securities requested to be so registered.

2.5 *Registration Procedures.* In the case of each registration effected by the Company pursuant to Section 2, the Company will keep each Holder advised in writing as to the initiation of each registration and as to the completion thereof. At its expense, the Company will use its commercially reasonable efforts to:

(a) Keep such registration effective for a period of ending on the earlier of the date which is one hundred twenty (120) days from the effective date of the registration statement or such time as the Holder or Holders have completed the distribution described in the registration statement relating thereto; provided, however, that (i) such one hundred twenty (120) day period shall be extended for a period of time equal to the period the Holder refrains, at the request of an underwriter of Common Stock (or other securities) of the Company, from selling any securities included in such registration, and (ii) in the case of any registration of Registrable Securities on Form S-3 that are intended to be offered on a continuous or delayed basis, subject to compliance with applicable Commission rules, such one hundred twenty (120) day period shall be extended for up to 12 months, if necessary, to keep the registration statement effective until all such Registrable Securities are sold;

(b) Prepare and file with the Commission such amendments and supplements to such registration statement and the prospectus used in connection with such registration statement as may be necessary to comply with the provisions of the Securities Act with respect to the disposition of all securities covered by such registration statement for the period set forth in subsection (a) above; provided further that in connection with any registration on Form S-3 pursuant to Section 2.3 above, the Company agrees to timely file all reports required under the Exchange Act in order to maintain the right to continue to use such Form S-3 and to maintain such registration in effect;

(c) Furnish such number of prospectuses, including any preliminary prospectuses, and other documents incident thereto, including any amendment of or supplement to the prospectus, and such other documents as the Holders may reasonably request in order to facilitate their disposition of their Registrable Securities;

(d) Use its reasonable best efforts to register and qualify the securities covered by such registration statement under such other securities or Blue Sky laws of such jurisdiction as shall be reasonably requested by the Holders; provided, that the Company shall not be required in connection therewith or as a condition thereto to qualify to do business or to file a general consent to

service of process in any such states or jurisdictions unless the Company is already subject to service in such jurisdiction and except as may be required by the Securities Act;

(e) Notify each seller of Registrable Securities covered by such registration statement at any time when a prospectus relating thereto is required to be delivered under the Securities Act of the happening of any event as a result of which the prospectus included in such registration statement, as then in effect, includes an untrue statement of a material fact or omits to state a material fact required to be stated therein or necessary to make the statements therein not misleading or incomplete in light of the circumstances then existing, and following such notification promptly prepare and furnish to such Holder a reasonable number of copies of a supplement to or an amendment of such prospectus as may be necessary so that, as thereafter delivered to the purchasers of such shares, such prospectus shall not include an untrue statement of a material fact or omit to state a material fact required to be stated therein or necessary to make the statements therein not misleading or incomplete in light of the circumstances then existing;

(f) Provide a transfer agent and registrar for all Registrable Securities registered pursuant to such registration statement and a CUSIP number for all such Registrable Securities, in each case not later than the effective date of such registration;

(g) Cause all such Registrable Securities registered pursuant hereunder to be listed on each securities exchange on which similar securities issued by the Company are then listed;

(h) Otherwise use its commercially reasonable efforts to comply with all applicable rules and regulations of the Commission;

(i) In connection with any underwritten offering pursuant to a registration statement filed pursuant to Section 2.1 hereof, enter into an underwriting agreement in form reasonably necessary to effect the offer and sale of Common Stock, provided such underwriting agreement contains reasonable and customary provisions, and provided further, that each Holder participating in such underwriting shall also enter into and perform its obligations under such an agreement; and

(j) Use its reasonable best efforts to furnish, at the request of any Holder requesting registration of Registrable Securities pursuant to this Section 2, on the date that such Registrable Securities are delivered to the underwriters for sale in connection with a registration pursuant to this Section 2, if such securities are being sold through underwriters, (i) an opinion, dated such date, of the counsel representing the Company for the purposes of such registration, in form and substance as is customarily given to underwriters in an underwritten public offering and reasonably satisfactory to a majority in interest of Holders requesting registration, addressed to the underwriters, if any, and to the Holders requesting registration of Registrable Securities, and (ii) a letter dated such date, from the independent certified public accountants of the Company, in form and substance as is customarily given by independent certified public accountants to underwriters in an underwritten public offering and reasonably satisfactory to a majority in interest of the Holders requesting registration, addressed to the underwriters, if any, and to the Holders requesting registration of Registrable Securities.

(k) Promptly make available for inspection by the selling Holders, any underwriter participating in any disposition pursuant to such registration statement, and any attorney or accountant or other agent retained by any such underwriter or selected by the selling Holders, all financial and other records, pertinent corporate documents, and properties of the Company, and cause the Company's officers, directors, employees, and independent accountants to supply all information reasonably requested by any such seller, underwriter, attorney, accountant, or agent in connection with any such registration statement.

2.6 *Indemnification.*

(a) To the extent permitted by law, the Company will indemnify and hold harmless each Holder, each of its officers, directors, stockholders, members and partners, legal counsel, and accountants and each person controlling such Holder within the meaning of Section 15 of the Securities Act, with respect to which registration, qualification, or compliance has been effected pursuant to this Section 2, and each underwriter, if any, and each person who controls within the meaning of Section 15 of the Securities Act any underwriter, against all expenses, claims, losses, damages, and liabilities (or actions, proceedings, or settlements in respect thereof) arising out of or based on: (i) any untrue statement (or alleged untrue statement) of a material fact contained or incorporated by reference in any prospectus, offering circular, or other document (including any related registration statement, notification, or the like) incident to any such registration, qualification, or compliance; (ii) any omission (or alleged omission) to state therein a material fact required to be stated therein or necessary to make the statements therein not misleading; or (iii) any violation (or alleged violation) by the Company of the Securities Act, the Exchange Act, any state securities laws or any rule or regulation thereunder applicable to the Company and relating to action or inaction required of the Company in connection with any offering covered by such registration, qualification, or compliance, and the Company will reimburse each such Holder, each of its officers, directors, stockholders, members, partners, legal counsel, and accountants and each person controlling such Holder, each such underwriter, and each person who controls any such underwriter, for any legal and any other expenses reasonably incurred in connection with investigating and defending or settling any such claim, loss, damage, liability, or action as they are incurred; provided that the Company will not be liable in any such case to the extent that any such claim, loss, damage, liability, or action arises out of or is based on any untrue statement or omission based upon written information furnished to the Company and stated to be specifically for use therein by such Holder, any of such Holder's officers, directors, partners, legal counsel or accountants, any person controlling such Holder, such underwriter or any person who controls any such underwriter; and provided further that, the indemnity agreement contained in this Section 2.6(a) shall not apply to amounts paid in settlement of any such loss, claim, damage, liability, or action if such settlement is effected without the consent of the Company (which consent shall not be unreasonably withheld or delayed).

(b) To the extent permitted by law, each Holder will, if Registrable Securities held by such Holder are included in the securities as to which such registration, qualification, or compliance is being effected, indemnify and hold harmless the Company, each of its directors, officers, legal counsel, and accountants and each underwriter, if any, of the Company's securities covered by such a registration statement, each person who controls the Company or such underwriter within the meaning of Section 15 of the Securities Act, each other such Holder, and each of their officers, directors, stockholders, members and partners, and each person controlling such Holder, against all

claims, losses, damages and liabilities (or actions in respect thereof) arising out of or based on: (i) any untrue statement (or alleged untrue statement) of a material fact contained or incorporated by reference in any such registration statement, prospectus, offering circular, or other document, or (ii) any omission (or alleged omission) to state therein a material fact required to be stated therein or necessary to make the statements therein not misleading, and will reimburse the Company and such Holders, directors, officers, stockholders, members, partners, legal counsel, and accountants, persons, underwriters, or control persons for any legal or any other expenses reasonably incurred in connection with investigating or defending any such claim, loss, damage, liability, or action as they are incurred, in each case to the extent, but only to the extent, that such untrue statement (or alleged untrue statement) or omission (or alleged omission) is made in such registration statement, prospectus, offering circular, or other document in reliance upon and in conformity with written information furnished to the Company by such Holder and stated to be specifically for use therein; provided, however, that the obligations of such Holder hereunder shall not apply to amounts paid in settlement of any such claims, losses, damages, or liabilities (or actions in respect thereof) if such settlement is effected without the consent of such Holder (which consent shall not be unreasonably withheld); and provided that in no event shall any indemnity under this Section 2.6 exceed the net proceeds from the offering received by such Holder.

(c) Each party entitled to indemnification under this Section 2.6 (the "**Indemnified Party**") shall give notice to the party required to provide indemnification (the "**Indemnifying Party**") promptly after such Indemnified Party has actual knowledge of any claim as to which indemnity may be sought, and shall permit the Indemnifying Party to assume the defense of such claim or any litigation resulting therefrom; provided that counsel for the Indemnifying Party, who shall conduct the defense of such claim or any litigation resulting therefrom, shall be approved by the Indemnified Party (whose approval shall not be unreasonably withheld), and the Indemnified Party may participate in such defense at such party's expense; provided, further, however, that an Indemnified Party (together with all other Indemnified Parties that may be represented without conflict by one counsel) shall have the right to retain one separate counsel, with the fees and expenses to be paid by the Indemnifying Party, if representation of such Indemnified Party by the counsel retained by the Indemnifying Party would be inappropriate due to actual or potential differing interests between such Indemnified Party and any other party represented by such counsel in such proceeding; and provided further that the failure of any Indemnified Party to give notice as provided herein shall not relieve the Indemnifying Party of its obligations under this Section 2.6, to the extent such failure is not materially prejudicial to the Indemnifying Party's ability to defend such action. No Indemnifying Party, in the defense of any such claim or litigation, shall, except with the consent of each Indemnified Party, consent to entry of any judgment or enter into any settlement that does not include as an unconditional term thereof the giving by the claimant or plaintiff to such Indemnified Party of a release from all liability in respect to such claim or litigation. Each Indemnified Party shall furnish such information regarding itself or the claim in question as an Indemnifying Party may reasonably request in writing and as shall be reasonably required in connection with defense of such claim and litigation resulting therefrom.

(d) If the indemnification provided for in this Section 2.6 is held by a court of competent jurisdiction to be unavailable to an Indemnified Party with respect to any loss, liability, claim, damage, or expense referred to herein, then the Indemnifying Party, in lieu of indemnifying such Indemnified Party hereunder, shall contribute to the amount paid or payable by such

Indemnified Party as a result of such loss, liability, claim, damage, or expense in such proportion as is appropriate to reflect the relative fault of the Indemnifying Party on the one hand and of the Indemnified Party on the other in connection with the statements or omissions that resulted in such loss, liability, claim, damage, or expense as well as any other relevant equitable considerations; provided, however, that no contribution by any Holder, when combined with any amounts paid by such Holder pursuant to Section 2.6(b), shall exceed the net proceeds from the offering received by such Holder. The relative fault of the Indemnifying Party and of the Indemnified Party shall be determined by reference to, among other things, whether the untrue or alleged untrue statement of a material fact or the omission to state a material fact relates to information supplied by the Indemnifying Party or by the Indemnified Party and the parties' relative intent, knowledge, access to information, and opportunity to correct or prevent such statement or omission.

(e) Notwithstanding the foregoing, to the extent that the provisions on indemnification and contribution contained in the underwriting agreement entered into in connection with the underwritten public offering are in conflict with the foregoing provisions, the provisions in the underwriting agreement shall control.

(f) The obligations of the Company and Holders under this Section 2.6 shall survive the completion of any offering of Registrable Securities in a registration statement, and otherwise.

2.7 *Information by Holder.* Each Holder of Registrable Securities shall furnish to the Company such information regarding such Holder and the distribution proposed by such Holder as the Company may reasonably request in writing and as shall be reasonably required in connection with any registration, qualification, or compliance referred to in this Section 2.

2.8 *Restrictions on Transfer.* The Holder of each certificate representing Registrable Securities by acceptance thereof agrees to comply in all respects with the provisions of this Section 2.8.

(a) Subject to Section 2.10, each Holder agrees not to make any sale, assignment, transfer, pledge or other disposition of all or any portion of the Restricted Securities, or any beneficial interest therein, unless and until (x) the transferee thereof has agreed in writing for the benefit of the Company to take and hold such Restricted Securities subject to, and to be bound by, the terms and conditions set forth in this Agreement, including, without limitation, these Sections 2.8 and 2.10, and (y):

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

(ii) Such Holder shall have given prior written notice to the Company of such Holder's intention to make such disposition and shall have furnished the Company with a detailed description of the manner and circumstances of the proposed disposition, and, if requested by the Company, such Holder shall have furnished the Company, at such Holder's expense, with (A) an opinion of counsel, reasonably satisfactory to the Company, to the effect that such disposition will not require registration of such Restricted Securities under the Securities Act or (B) a "no

action" letter from the Commission to the effect that the transfer of such securities without registration will not result in a recommendation by the staff of the Commission that action be taken with respect thereto, whereupon the holder of such Restricted Securities shall be entitled to transfer such Restricted Securities in accordance with the terms of the notice delivered by the Holder to the Company. It is agreed that the Company will not require opinions of counsel or "no action" letters for transactions made pursuant to Rule 144, except in unusual circumstances.

(iii) Notwithstanding the provisions of subsections (a)(y)(i) and (a)(y)(ii) above, no such registration statement or opinion of counsel or "no action" letter shall be necessary for: (A) a transfer by a Holder to any of its affiliates (including an affiliated fund now or hereafter existing that is managed by the same manager or managing member or general partner or management company or by an entity controlling, controlled by, or under common control with such manager or managing member or general partner or management company, each an "**Affiliated Fund**"); (B) a transfer by a Holder that is a partnership, limited liability company or corporation to a partner, limited partner, retired partner, member, retired member or stockholder of a Holder; (C) a transfer by gift, will or intestate succession of any partner to his or her spouse or to the siblings, lineal descendants or ancestors of such partner or his or her spouse; or (D) the transfer by a Holder exercising its co-sale rights under the Fourth Amended and Restated Right of First Refusal and Co- Sale Agreement by and among the Company and the Investors and certain other stockholders named therein of even date herewith, as amended, as the same may be amended and/or restated from time to time, if in each transfer under clauses (A), (B) or (C) the prospective transferee agrees in all such instances in writing to be subject to the terms hereof to the same extent as if he or she were an original Holder hereunder.

(b) Each certificate representing Registrable Securities shall (unless otherwise permitted by the provisions of this Agreement) be stamped or otherwise imprinted with a legend substantially similar to the following (in addition to any legend required under applicable state securities laws):

THE SECURITIES REPRESENTED HEREBY HAVE NOT BEEN REGISTERED UNDER THE SECURITIES ACT OF 1933, AS AMENDED (THE "**ACT**"), OR UNDER THE SECURITIES LAWS OF CERTAIN STATES. THESE SECURITIES MAY NOT BE OFFERED, SOLD OR OTHERWISE TRANSFERRED, PLEDGED OR HYPOTHECATED EXCEPT AS PERMITTED UNDER THE ACT AND APPLICABLE STATE SECURITIES LAWS PURSUANT TO REGISTRATION OR AN EXEMPTION THEREFROM. THE ISSUER OF THESE SECURITIES MAY REQUIRE AN OPINION OF COUNSEL SATISFACTORY TO THE ISSUER THAT SUCH OFFER, SALE OR TRANSFER, PLEDGE OR HYPOTHECATION OTHERWISE COMPLIES WITH THE ACT AND ANY APPLICABLE STATE SECURITIES LAWS.

THE SHARES REPRESENTED BY THIS CERTIFICATE ARE SUBJECT TO (1) RESTRICTIONS ON TRANSFERABILITY AND RESALE, INCLUDING A LOCK-UP PERIOD OF UP TO 180 DAYS IN

THE EVENT OF A PUBLIC OFFERING, AS SET FORTH IN AN INVESTOR RIGHTS AGREEMENT, AND (2) VOTING RESTRICTIONS AS SET FORTH IN A VOTING AGREEMENT AMONG THE COMPANY AND THE ORIGINAL HOLDERS OF THESE SHARES, COPIES OF WHICH MAY BE OBTAINED AT THE PRINCIPAL OFFICE OF THE COMPANY.

The Holders consent to the Company making a notation on its records and giving instructions to any transfer agent of the Restricted Securities in order to implement the restrictions on transfer established in this Section 2.8.

(c) The first legend referring to federal and state securities laws identified in Section 2.8(b) hereof stamped on a certificate evidencing the Restricted Securities and the stock transfer instructions and record notations with respect to such Restricted Securities shall be removed and the Company shall issue a certificate without such legend to the holder of such Restricted Securities if (i) such securities are registered under the Securities Act; or (ii) such holder provides the Company with an opinion of counsel reasonably acceptable to the Company to the effect that a public sale or transfer of such securities may be made without registration under the Securities Act; or (iii) such holder provides the Company with reasonable assurances, which may, at the option of the Company, include an opinion of counsel reasonably satisfactory to the Company, that such securities can be sold without restriction pursuant to Rule 144 under the Securities Act.

2.9 *Rule 144 Reporting.* With a view to making available the benefits of certain rules and regulations of the Commission that may permit the sale of the Restricted Securities to the public without registration, the Company agrees to use its commercially reasonable efforts to:

(a) Make and keep public information regarding the Company available as those terms are understood and defined in Rule 144 under the Securities Act, at all times from and after the effective date of the first registration under the Securities Act filed by the Company for an offering of its securities to the general public;

(b) File with the Commission in a timely manner all reports and other documents required of the Company under the Securities Act and the Exchange Act at any time after it has become subject to such reporting requirements; and

(c) So long as a Holder owns any Restricted Securities, furnish to the Holder forthwith upon written request a written statement by the Company as to its compliance with the reporting requirements of Rule 144 (at any time from and after ninety (90) days following the effective date of the first registration statement filed by the Company for an offering of its securities to the general public), and of the Securities Act and the Exchange Act (at any time after it has become subject to such reporting requirements), a copy of the most recent annual or quarterly report of the Company, and such other reports and documents so filed as a Holder may reasonably request in availing itself of any rule or regulation of the Commission allowing a Holder to sell any such securities without registration.

2.10 *Market Stand-Off Agreement.* If requested by the Company and an underwriter of Common Stock (or other securities) of the Company, each Holder hereby agrees that such Holder shall not sell or otherwise 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, of any Common Stock (or other securities) of the Company held by such Holder (other than those included in the registration) during one hundred and eighty (180) day period or, if required by such underwriter, such longer period of time as is necessary to enable such underwriter to issue a research report or make a public appearance that relates to an earnings release or announcement by the Company within eighteen (18) days before or after the date that is one hundred eighty (180) days after the effective date of the registration statement on Form S-1 or Form S-3 relating to such offering, but in any event not to exceed two hundred ten (210) days following the effective date of the registration statement relating to the Initial Public Offering. The foregoing provisions of this Section 2.10 shall be applicable to the Holders only if all officers, directors, and stockholders individually owning more than one percent (1%) of the Company's outstanding Common Stock are subject to the same restrictions. The obligations described in this Section 2.10 shall not apply to a registration relating solely to employee benefit plans on Form S-1 or Form S-8 or similar forms that may be promulgated in the future, or a registration relating solely to a transaction on Form S-4 or similar forms that may be promulgated in the future. The Company may impose stop-transfer instructions and may stamp each such certificate with the second legend set forth in Section 2.8(b) hereof with respect to the shares of Common Stock (or other securities) subject to the foregoing restriction until the end of such one hundred eighty (180) day period. Each Holder agrees to execute a market standoff agreement with said underwriters in customary form consistent with the provisions of this Section 2.10. Any discretionary waiver or release of such agreement by the Company or the underwriters shall apply pro rata to all Holders subject to such agreements, based on the number of shares subject to such agreements. Notwithstanding anything to the contrary in the foregoing, the restrictions contained in this Section 2.10 shall not apply to any shares of Common Stock (or any securities convertible into or exercisable or exchangeable for Common Stock) acquired by any Holder following the effective date of the Initial Public Offering.

2.11 *Delay of Registration.* No Holder shall have any right to take any action to restrain, enjoin, or otherwise delay any registration as the result of any controversy that might arise with respect to the interpretation or implementation of this Section 2.

2.12 *Transfer or Assignment of Registration Rights.* The rights to cause the Company to register securities granted to a Holder by the Company under this Section 2 may be transferred or assigned by a Holder only to: (a) a transferee or assignee who acquires at least five percent (5%) of the Investor's shares of Registrable Securities (as presently constituted and subject to subsequent adjustments for

stock splits, stock dividends, reverse stock splits, and the like); (b) an affiliate of a Holder (including an Affiliated Fund) or a subsidiary, parent, partner, limited partner, retired partner, member, retired member or stockholder of a Holder; or (c) a Holder's family member or trust for the benefit of an individual Holder or Holder's family member; provided that (i) any such transfer or assignment of Registrable Securities is effected in accordance with the terms of Section 2.8 hereof, and applicable securities laws; (ii) the Company is given written notice prior to said transfer or assignment, stating the name and address of the transferee or assignee and identifying the securities with respect to which such registration rights are intended to be transferred or assigned; (iii) the transferee or assignee of such rights assumes in writing the obligations of such Holder under this

Agreement, including without limitation the obligations set forth in Section 2.10; and (iv) any such transferee is not engaged in competition with the Company as reasonably determined by the Board.

2.13 *Limitations on Subsequent Registration Rights.* From and after the date of this Agreement, the Company shall not, without the prior written consent of the Holders holding at least a majority of the Registrable Securities, enter into any agreement with any holder or prospective holder of any securities of the Company giving such holder or prospective holder any registration rights the terms of which are *pari passu* with or senior to the registration rights granted to the Holders hereunder.

2.14 *Termination of Registration Rights.* The right of any Holder to request registration or inclusion in any registration pursuant to Section 2.1, 2.2 or 2.3 shall terminate on the earlier of (i) such date, on or after the closing of the Initial Public Offering, on which all shares of Registrable Securities held or entitled to be held upon conversion by such Holder may immediately be sold under Rule 144 during any ninety (90)-day period; and (ii) five (5) years after the closing of the Initial Public Offering.

Section 3
Covenants of the Company

The Company hereby covenants and agrees, as follows:

3.1 *Basic Financial Information.* Provided that twenty percent (20%) of the Preferred Stock originally issued by the Company (subject to appropriate adjustment for stock splits, stock dividends, combinations, and other recapitalizations) or the equivalent in Registrable Securities remain outstanding, the Company shall deliver to each Investor who holds at least twenty percent (20%) of the Shares originally purchased by such Investor (the "**Requisite Share Amount**") the following financial information:

(a) as soon as practicable, but in any event within 150 days after the end of each fiscal year of the Company, which such time period may be waived by the Holders holding at least a majority of the Registrable Securities (excluding any of such shares that have been sold to the public or pursuant to Rule 144), an income statement for such fiscal year, a balance sheet of the Company and statement of stockholder's equity as of the end of such year, and a statement of cash flows for such year, such year-end financial reports to be in reasonable detail, prepared in accordance with generally accepted accounting principles ("**GAAP**"), and audited and certified by an independent public accounting firm of nationally recognized standing selected by the Company;

(b) as soon as practicable, but in any event within 45 days after the end of each of the first three quarters of each fiscal year of the Company, an unaudited profit or loss statement, a statement of cash flows for such fiscal quarter and an unaudited balance sheet as of the end of such fiscal quarter prepared in accordance with GAAP consistently applied with prior practice for earlier periods (with the exception of footnotes that may be required by GAAP) and fairly present the financial condition of the Company and its results of operation for the period specified, subject to year-end audit adjustment;

(c) as soon as practicable, but in any event within thirty (30) days of the end of each month, an unaudited income statement and statement of cash flows for such month, and an unaudited balance sheet and statement of stockholders' equity as of the end of such month, all prepared in accordance with GAAP and fairly present the financial condition of the Company and its results of operation for the period specified, subject to year-end audit adjustment and

(d) as soon as practicable, but in any event within 30 days prior to the commencement of each new fiscal year of the Company, an annual budget and operating plan for such fiscal year.

(d) the rights granted to each Investor pursuant to this Section 3.1 shall terminate on the date of the closing of the Initial Public Offering.

3.2 *Inspection Rights.* Provided that twenty percent (20%) of the Preferred Stock originally issued by the by the Company (subject to appropriate adjustment for stock splits, stock dividends, combinations, and other recapitalizations) or the equivalent in Registrable Securities remain outstanding, the Company will afford to each Investor who continues to hold such Investor's Requisite Share Amount reasonable access during normal business hours to all of the Company's properties, books and records. Investors may exercise their rights under this Section 3.2 only for purposes reasonably related to their interests as a stockholder. The rights granted pursuant to Section 3.1 and this Section 3.2 may be assigned or otherwise conveyed by any Investor to any person that such Investor transfers shares of Shares representing such Investor's Requisite Share Amount or by any subsequent transferee of any such rights to any transferee, and such transferees shall be deemed to be an Investor for purposes of Sections 3.1 and 3.2 hereof, unless such transferee is reasonably deemed by the Company to be a competitor of the Company. The rights granted to each Investor pursuant to this Section 3.2 shall terminate on the date of the closing of the Initial Public Offering.

3.3 *Confidentiality.* Anything in this Agreement to the contrary notwithstanding, no Holder by reason of this Agreement shall have access to any trade secrets of the Company. The Company shall not be required to comply with any inspection rights of Section 3 in respect of any Holder whom the Company reasonably determines to be a competitor or an officer, employee, director or holder of more than ten percent (10%) of a competitor, nor shall the Company be obligated to disclose any information which the Board determines in good faith is attorney-client privileged and should not, therefore, be disclosed. Each Holder agrees that it will not use any information received by it pursuant to this Agreement in violation of the Exchange Act or reproduce, disclose or disseminate such information to any other person other than its employees, agents or partners having a need to know the contents of such information, and its attorneys, consultants, and other professionals to the extent necessary to obtain their services in connection with monitoring its investment in the Company; and to any prospective purchaser of any Registrable Securities from such Holder, if such prospective purchaser agrees to be bound by the provisions of this Section 3.3 or as may otherwise be required by law, provided that the Holder promptly notifies the Company of such disclosure and takes reasonable steps to minimize the extent of any such required disclosure unless such information (a) is known or becomes known to the public in general (other than as a result of a breach of this Section 3.3 by such Holder), (b) is or has been independently developed or conceived by the Holder without use of the Company's confidential information, or (c) is or has

been made known or disclosed to the Holder by a third party without a breach of any obligation of confidentiality such third party may have to the Company. The Company acknowledges that certain of the Investors are in the business of venture capital investing and therefore review the business plans and related proprietary information of many enterprises, including enterprises that may have products or services that compete directly or indirectly with those of the Company. Nothing in this Agreement shall preclude or in any way restrict the Investors from investing or participating in any particular enterprise, regardless of whether such enterprise has products or services that compete with those of the Company.

3.4 *Stock Option Vesting.* Unless otherwise decided by the Board and each of the Preferred Stock Directors (as defined in the Fourth Amended and Restated Stockholders' Voting Agreement dated as of the date hereof, as the same may be amended and/or restated from time to time), all option grants to employees and consultants of the Company made after the date of this Agreement shall vest over a four (4) year period with twenty-five percent (25%) of the shares subject to each option vesting a year after the vesting commencement date and the remainder of the shares vesting in equal amounts on a monthly, quarterly or annual basis thereafter. Vesting shall be accelerated by one (1) year if within one (1) year after a change in control the option holder, if such option holder is an employee, is discharged without cause or is "constructively discharged" (e.g. by a reduction in compensation).

3.5 *Termination of Covenants.* The covenants set forth in this Section 3 shall terminate and be of no further force and effect after the closing of the Initial Public Offering or upon the closing of a Deemed Liquidation Event (as defined in the Restated Certificate of Incorporation), provided that in the case of a sale of substantially all assets, such termination shall occur only upon completion of the distribution of all proceeds of such sale to the stockholders of the Company in accordance with the Restated Certificate of Incorporation.

3.6 *Founder Board Observer Rights.* From and after the date of this Agreement and until consummation of the Initial Public Offering, the Founders shall have the right to appoint four (4) designees ("**Founder Board Observers**"), provided that such Founder Board Observer is also a Founder. Founder Board Observers shall be permitted to attend each meeting of the Board and to participate in all discussions during each meeting. The Company shall send to each such Founder Board Observer the notice of the time and place of any such meeting in the same manner and at the same time as it shall send such notice to its directors or committee members, as the case may be. The Company shall also provide to each such Founder Board Observer copies of all notices, reports, minutes and consents at the time and in the manner as they are provided to the Board or committee, unless the information is reasonably designated as proprietary information by the Board, the Company receives advice from legal counsel that there is a substantial risk that discussing a specified matter in the presence of, or providing specific document to, a person who is not a member of the Board, would result in the Company's loss of attorney-client privilege with respect to a specified matter, or if the Company reasonably believes that such specified matter relates directly and substantially to any matter in which such Founder Board Observer has a material business or financial interest (other than by reason of its interests as a stockholder of the Company), or if the Board in good faith wishes to discuss confidential

matters related to the business of the Company, the Company may exclude a Founder Board Observer from that portion of the meeting addressing such specified matter or not provide such specific document to the Founder Board Observer.

3.7 No Restrictions on Business Activities.

(a) The Company agrees not to require any Investor to (i) limit or restrict any of its business activities (including, without limitation, business activities of such Investor in the same line of business as the Company or investments by such Investor in any entity engaged in the same line of business of the Company), (ii) send any business opportunities to the Company or (iii) violate any duty or client confidence. Notwithstanding anything to the contrary in this Agreement or in any of the Transaction Documents, the Company agrees that any of the Investors may disclose any confidential information of the Company that such Investor receives if such disclosure is requested or required by law, regulation or any regulatory or governmental authority, provided that such disclosing Investor gives the Company, to the extent reasonably practicable and legally permitted, prior written notice of such requirement and an opportunity to seek a protective order with respect thereto.

(b) Notwithstanding anything to the contrary in this Agreement or in any of the Transaction Documents, none of the provisions herein or therein shall in any way limit any Investor from engaging in any brokerage, investment advisory, financial advisory, anti-raid advisory, principaling, merger advisory, financing, asset management, trading, market making, arbitrage, investment activity or other similar activities conducted in the ordinary course of its business. The Company acknowledges that the restrictions contained in Section 2.10 of this Agreement shall not apply to any shares of Common Stock (or any securities convertible into or exercisable or exchangeable for Common Stock) acquired by the Investors following the effective date of the first registration statement of the Company covering Common Stock or other securities to be sold on behalf of the Company in an underwritten public offering.

3.8 *Restrictive Covenants.* The Company agrees that it will not enter into any agreement that contains a non-competition or non-solicitation covenant that binds any of the Investors.

3.9 *No Other Arrangements.* The Company hereby agrees, represents and warrants to each of the Investors that, except for the Transaction Documents and the Management Rights Letters, the Company is not a party to any agreements, arrangements or understandings, whether written or oral, with any Series E Investors with respect to the rights, privileges or restrictions of the Series E Preferred Stock.

3.10 *General Regulatory.* The Company shall keep the Investors informed, on a current basis, of any events, discussions, notices or changes with respect to any tax (other than ordinary course communications which could not reasonably be expected to be material to the Company), criminal or regulatory investigation or action involving the Company or any of its subsidiaries, and shall reasonably cooperate with the Investors and their respective affiliates in an effort to avoid or mitigate any cost or regulatory consequences to them that might arise from such investigation or action (including by reviewing written submissions in advance, attending meetings with authorities and coordinating and providing assistance in meeting with regulators).

3.11 *Non-Promotion.* The Company agrees that it will not, without the prior written consent of each Investor or its affiliate, as applicable, in each instance, (i) use in advertising, publicity, or otherwise the name of such Investor or its affiliate, or any partner or employee of an

affiliate of such Investor, nor any trade name, trademark, trade device, service mark, symbol or any abbreviation, contraction or simulation thereof owned by such Investor or its affiliates, or (ii) represent, directly or indirectly, that any product or any service provided by the Company has been approved or endorsed by such Investor or its affiliate.

3.12 *Company Logos.* The Company grants each of the Investors permission to use the Company's name and logo in the marketing materials of such Investor or its affiliates. Each of the Investors or their affiliates, as applicable, shall include a trademark attribution notice giving notice of the Company's ownership of its trademarks in the marketing materials of such Investor in which the Company's name and logo appear.

3.13 *Insurance.* The Company shall maintain Director and Officer liability insurance of no less than Three Million Dollars ($3,000,000) and product liability insurance.

Section 4
Right of First Refusal

4.1 *Right of First Refusal to Preferred Holders.* Provided that fifteen percent (15%) or more of the Preferred Stock originally issued by the Company (subject to appropriate adjustment for stock splits, stock dividends, combinations, and other recapitalizations) remains outstanding, the Company hereby grants to each Preferred Holder the right of first refusal to purchase its pro rata share (based on ownership of Preferred Stock) of New Securities (as defined in Section 4.1(a)) which the Company may, from time to time, propose to sell and issue after the date of this Agreement. A Preferred Holder's pro rata share, for purposes of this right of first refusal, is equal to the ratio of (a) the number of shares of Common Stock then owned by such Preferred Holder (assuming full conversion of the Shares and exercise of all outstanding convertible securities, rights, options and warrants, directly or indirectly, into Common Stock held by such Preferred Holder) to (b) the total number of shares of Common Stock then owned by all Preferred Holders (assuming full conversion of the Shares and exercise of all outstanding convertible securities, rights, options and warrants, directly or indirectly, into Common Stock held by all the Preferred Holders). For purposes of this Section 4.1, a Preferred Holder includes any general partner, managing member and affiliates (including Affiliated Funds) of a Preferred Holder. A Preferred Holder who chooses to exercise the right of first refusal may designate as purchasers under such right itself and/or its partners or affiliates (including Affiliated Funds), in such proportions as it deems appropriate.

(a) **"New Securities"** shall mean any capital stock (including Common Stock and/or Preferred Stock) of the Company whether now authorized or not, and rights, convertible securities, options or warrants to purchase such capital stock, and securities of any type whatsoever that are, or may become, exercisable or convertible into capital stock; provided that the term **"New Securities"** does not include:

(i) the Shares and the Preferred Conversion Stock; or

(ii) securities excluded from the definition of Additional Shares of Common Stock pursuant to Article FOURTH Section B.4(d)(i)(D)(I)-(V) of the Restated Certificate of Incorporation, as such provision is amended, modified, supplemented or replaced.

(b) In the event the Company proposes to undertake an issuance of New Securities, it shall give each Preferred Holder written notice of its intention, describing the type of New Securities, and their price and the general terms upon which the Company proposes to issue the same. Each Preferred Holder shall have twenty (20) days after any such notice is mailed or delivered to agree to purchase such Holder's pro rata share of such New Securities for the price and upon the terms specified in the notice by giving written notice to the Company and stating therein the quantity of New Securities to be purchased. If any Preferred Holder fails to so agree in writing within such twenty (20) day period to purchase such Holder's full pro rata share of an offering of New Securities (a "**Nonpurchasing Holder**"), then such Nonpurchasing Holder shall forfeit the right hereunder to purchase that part of such Nonpurchasing Holder's pro rata share of such New Securities that such Nonpurchasing Holder did not so agree to purchase. The Company shall promptly give each Preferred Holder who has timely agreed to purchase such Holder's full pro rata share of such offering of New Securities (a "**Purchasing Holder**") written notice of the failure of any Nonpurchasing Holder to purchase such Nonpurchasing Holder's full pro rata share of such offering of New Securities (the "**Overallotment Notice**"). Each Purchasing Holder shall have a right of overallotment such that such Purchasing Holder may agree to purchase a portion of the Nonpurchasing Holders' unpurchased pro rata shares of such offering on a pro rata basis according to the relative pro rata shares of the Purchasing Holders, at any time within five (5) days after receiving the Overallotment Notice.

(c) In the event the Preferred Holders fail to exercise fully the right of first refusal within said twenty (20) day period plus five (5) days (the "**Election Period**"), the Company shall have ninety (90) days thereafter to sell or enter into an agreement (pursuant to which the sale of New Securities covered thereby shall be closed, if at all, within ninety (90) days from the date of said agreement) to sell that portion of the New Securities with respect to which the Preferred Holders' right of first refusal option set forth in this Section 4.1 was not exercised, at a price and upon terms no more favorable to the purchasers thereof than specified in the Company's notice to Preferred Holders delivered pursuant to Section 4.1(b). In the event the Company has not sold within such ninety (90) day period following the Election Period, or such ninety (90) day period following the date of said agreement, the Company shall not thereafter issue or sell any New Securities without first again offering such securities to the Preferred Holders in the manner provided in this Section 4.1.

(d) The right of first refusal granted under this Agreement shall expire upon, and shall not be applicable to, (i) the Initial Public Offering or (ii) on the first date upon which no Shares are outstanding with respect to the Preferred Holders.

Section 5
Miscellaneous

5.1 *Amendment.* Except as expressly provided herein, neither this Agreement nor any term hereof may be amended, waived, discharged or terminated other than by a written instrument referencing this Agreement and signed by the Company and the Holders holding at least a majority of the Registrable Securities (excluding any of such shares that have been sold to the public or pursuant to Rule 144). Any such amendment, waiver, discharge or termination effected in

accordance with this paragraph shall be binding upon each Holder and each future holder of all such securities of Holder. Each Holder acknowledges that by the operation of this paragraph, the Holders of a majority of the Registrable Securities (excluding any of such shares that have been sold to the public or pursuant to Rule 144) will have the right and power to diminish or eliminate all rights of such Holder under this Agreement.

5.2 *Notices.* All notices and other communications required or permitted hereunder shall be in writing and shall be mailed by registered or certified mail, postage prepaid, sent by facsimile or electronic mail or otherwise delivered by hand or by messenger addressed:

(a) if to an Investor, at the Investor's address, facsimile number or electronic mail address as shown in the Company's records, as may be updated in accordance with the provisions hereof and required copies (which shall not constitute notice) shall be sent to Todd Finger, McDermott, Will & Emery, 340 Madison Avenue, New York, NY 10173-1922 and Richard Birns, Boies, Schiller & Flexner LLP, 575 Lexington Avenue, 7th Floor, New York, NY 10022 (facsimile: 212-446-2350; electronic mail address: rbirns@bsfllp.com);

(b) if to any Holder, at such address, facsimile number or electronic mail address as shown in the Company's records, or, until any such holder so furnishes an address, facsimile number or electronic mail address to the Company, then to and at the address of the last holder of such shares for which the Company has contact information in its records; or

(c) if to the Company, one copy should be sent to T2 Biosystems, 101 Hartwell Avenue, Lexington, MA 02421, Attn: Chief Executive Officer, or at such other address as the Company shall have furnished to the Investors, with a required copy (which shall not constitute notice) to Mark J. Macenka, Esq., Goodwin Procter, LLP, Exchange Place, Boston, MA 02109.

Each such notice or other communication shall for all purposes of this Agreement be treated as effective or having been given when delivered if delivered personally, or, if sent by mail, at the earlier of its receipt or 72 hours after the same has been deposited in a regularly maintained receptacle for the deposit of the United States mail, addressed and mailed as aforesaid or, if sent by facsimile, upon confirmation of facsimile transfer or, if sent by electronic mail, upon confirmation of delivery when directed to the electronic mail address set forth on the Schedule of Investors.

5.3 *Governing Law.* This Agreement shall be governed by and construed in accordance with the General Corporation Law of the State of Delaware as to matters within the scope thereof, and as to all other matters shall be governed by and construed in accordance with the internal laws of the Commonwealth of Massachusetts, without regard to its principles of conflicts of laws.

5.4 *Successors and Assigns.* Except as otherwise provided herein, the provisions of this Agreement shall inure to the benefit of, and be binding upon, the successors, assigns, heirs, executors and administrators of the parties hereto.

5.5 *Entire Agreement.* This Agreement and the exhibits hereto constitute the full and entire understanding and agreement between the parties with regard to the subjects hereof and supersedes all prior written or oral agreements and understandings relating to such subject matter.

No party hereto shall be liable or bound to any other party in any manner with regard to the subjects hereof or thereof by any warranties, representations or covenants except as specifically set forth herein.

5.6 *Delays or Omissions.* Except as expressly provided herein, no delay or omission to exercise any right, power or remedy accruing to any party to this Agreement upon any breach or default of any other party under this Agreement shall impair any such right, power or remedy of such non-defaulting party, nor shall it be construed to be a waiver of any such breach or default, or an acquiescence therein, or of or in any similar breach or default thereafter occurring, nor shall any waiver of any single breach or default be deemed a waiver of any other breach or default theretofore or thereafter occurring. Any waiver, permit, consent or approval of any kind or character on the part of any party of any breach or default under this Agreement, or any waiver on the part of any party of any provisions or conditions of this Agreement, must be in writing and shall be effective only to the extent specifically set forth in such writing. All remedies, either under this Agreement or by law or otherwise afforded to any party to this Agreement, shall be cumulative and not alternative.

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

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

5.9 *Counterparts.* This Agreement may be executed in any number of counterparts, each of which shall be enforceable against the parties that execute such counterparts, and all of which together shall constitute one instrument.

5.10 *Telecopy Execution and Delivery.* A facsimile, telecopy or other reproduction of this Agreement may be executed by one or more parties hereto and delivered by such party by facsimile or any similar electronic transmission device pursuant to which the signature of or on behalf of such party can be seen. Such execution and delivery shall be considered valid, binding and effective for all purposes. At the request of any party hereto, all parties hereto agree to execute and deliver an original of this Agreement as well as any facsimile, telecopy or other reproduction hereof.

5.11 *Further Assurances.* Each party hereto agrees to execute and deliver, by the proper exercise of its corporate, limited liability company, partnership or other powers, all such other and additional instruments and documents and do all such other acts and things as may be necessary to more fully effectuate this Agreement.

5.12 *Aggregation of Stock.* All shares of Common Stock and Preferred Stock held or acquired by affiliated entities or persons or entities under common investment management or control shall be aggregated together for the purpose of determining the availability of any rights or obligations under this Agreement.

5.13 *Termination of Investors' Rights Agreement.* By execution of this Agreement, the Company and the other parties to the Investors' Rights Agreement that are parties to this Agreement hereby acknowledge and agree that, effective as of the date hereof, the Investors' Rights Agreement is hereby terminated and shall be of no further force of effect.

5.14 *Additional Parties.* Additional Investors (as defined in the Purchase Agreement) who purchase shares of Preferred Stock from the Company pursuant to the terms of the Purchase Agreement after the effective date of this Agreement, as a condition to such purchase, shall become a party to this Agreement by executing a signature page to this Agreement, and no consent or waiver of any other party hereto, other than the Company, shall be required to add any such additional party.

[Remainder of Page Intentionally Left Blank]

IN WITNESS WHEREOF, the parties hereto have executed this **Fourth Amended and Restated Investors' Rights Agreement** effective as of the day and year first above written.

T2 BIOSYSTEMS, INC.
a Delaware corporation

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

IN WITNESS WHEREOF, the parties hereto have executed this **Fourth Amended and Restated Investors' Rights Agreement** effective as of the day and year first above written.

INVESTORS:

FLAGSHIP VENTURES FUND 2004, L.P.
By: Flagship Ventures General Partner LLC,
Its General Partner

By: /s/ Noubar Afeyan
Name: Noubar Afeyan
Title: Manager

Address: Flagship Ventures
One Memorial Drive, 7th Floor
Cambridge, MA 02142

FLAGSHIP VENTURES FUND IV, L.P.
By its General Partner
Flagship Ventures Fund IV General Partner LLC

By: /s/ Noubar B. Afeyan
Name: Noubar B. Afeyan
Title: Manager

Address: Flagship Ventures
One Memorial Drive, 7th Floor
Cambridge, MA 02142

T2 Biosystems, Inc. — Fourth Amended and Restated Investors' Rights Agreement

POLARIS VENTURE PARTNERS V, L.P.
By: Polaris Venture Management Co. V, L.L.C.
Its General Partner

By: /s/ William E. Bilodeau
William E. Bilodeau
Attorney-in-fact

Address: Polaris Venture Partners
1000 Winter Street, Suite 3350
Waltham, MA 02451

POLARIS VENTURE PARTNERS FOUNDERS' FUND V, L.P.
By: Polaris Venture Management Co. V, L.L.C.
Its General Partner

By: /s/ William E. Bilodeau
William E. Bilodeau
Attorney-in-fact

Address: Polaris Venture Partners
1000 Winter Street, Suite 3350
Waltham, MA 02451

POLARIS VENTURE PARTNERS ENTREPRENEURS' FUND V, L.P.
By: Polaris Venture Management Co. V, L.L.C.
Its General Partner

By: /s/ William E. Bilodeau
William E. Bilodeau
Attorney-in-fact

Address: Polaris Venture Partners
1000 Winter Street, Suite 3350
Waltham, MA 02451

POLARIS VENTURE PARTNERS SPECIAL FOUNDERS' FUND V, L.P.
By: Polaris Venture Management Co. V, L.L.C.
Its General Partner

By: /s/ William E. Bilodeau
William E. Bilodeau
Attorney-in-fact

Address: Polaris Venture Partners
1000 Winter Street, Suite 3350
Waltham, MA 02451

T2 Biosystems, Inc. — Fourth Amended and Restated Investors' Rights Agreement

FLYBRIDGE CAPITAL PARTNERS I, L.P.
By: Flybridge Capital Partners G.P. I, L.L.C.
Its General Partner

By: /s/ Michael A. Greeley
Name: Michael A. Greeley
Title: Member and Manager

Address: Flybridge Capital Partners
500 Boylston Street, 18th Floor
Boston, MA 02116

FLYBRIDGE CAPITAL PARTNERS II, L.P.
By: Flybridge Capital Partners G.P. II, L.L.C.
Its General Partner

By: /s/ Michael A. Greeley
Name: Michael A. Greeley
Title: Member and Manager

Address: Flybridge Capital Partners

500 Boylston Street, 18th Floor
Boston, MA 02116

PARTNERS HEALTHCARE SYSTEM
POOLED INVESTMENT ACCOUNTS

By: Partners Healthcare
Its: Managing General Partner

By: /s/ John Barker
Name: John Barker
Title: Chief Investment Officer

Address: 101 Merrimac St., 4th Fl.
Boston, MA 02114
Attn: Jennifer Schmelter

PHYSIC VENTURES, L.P.
By: Physic Ventures Management, L.L.C.,
Its General Partner

By: /s/ William Rosenzweig
Name: William Rosenzweig
Title: Managing Partner

Address: Physic Ventures, L.P.
200 California Street, 5th Floor
San Francisco, CA 94111

ARCUS VENTURES FUND, L.P.

By: /s/ James B. Dougherty
Name: JAMES B. DOUGHERTY
Title: GENERAL PARTNER

Address: 55 Broad Street, Suite 1840
New York, NY 10004

CAMROS CAPITAL, LLC

By: /s/ Parviz Tayebati
Name: Parviz Tayebati
Title: CEO

Address: 134 Farm Road
Sherborn, MA 01770

WS INVESTMENT COMPANY, LLC (2010A)

By: /s/ [ILLEGIBLE]
Name:
Title:

Address: 650 Page Mill Road
Palo Alto, CA 94304

WS INVESTMENT COMPANY, LLC (2011A)

By: /s/ [ILLEGIBLE]
Name:
Title:

Address: 650 Page Mill Road
Palo Alto, CA 94304

WS INVESTMENT COMPANY, LLC (2013A)

By: /s/ [ILLEGIBLE]
Name:
Title:

Address: 650 Page Mill Road
Palo Alto, CA 94304

AISLING CAPITAL III, LP

/s/ [ILLEGIBLE]
Name: ILLEGIBLE
Title: CFO

Aisling Capital III, L.P.
888 Seventh Avenue, 30th Floor
New York, NY 10106
Attn: Chief Financial Officer
Fax: 212 651 6379

With a required copy to:

McDermott Will & Emery LLP
340 Madison Avenue
New York, NY 10173-1922
Attn: Todd Finger
Fax: 212 547 5444

BROAD STREET PRINCIPAL INVESTMENTS, L.L.C.

By: /s/ [ILLEGIBLE]
Name: [ILLEGIBLE]
Title: Vice President

BRIDGE STREET 2013 HOLDINGS, L.P.
By: Bridge Street Opportunity Advisors, L.L.C.,
its General Partner

By: /s/ [ILLEGIBLE]
Name: [ILLEGIBLE]
Title: Vice President

MBD 2013 HOLDINGS, L.P.
By: MBD Advisors, L.L.C.,
its General Partner

By: /s/ [ILLEGIBLE]
Name: [ILLEGIBLE]
Title: Vice President

Address: 200 West Street
New York, NY 10282
Attn: TJ Carella

With a required copy to:

Boies, Schiller & Flexner LLP
575 Lexington Avenue, 7th Floor
New York, NY 10022
Attn: Richard Birns
Fax: 212-446-2350
Email: rbims@bsfllp.com

MICHAEL CIMA

/s/ Michael Cima
Name: Michael Cima

EXHIBIT A

INVESTORS

Flagship Ventures Fund 2004, L.P.
Flagship Ventures Fund IV, L.P.
Polaris Venture Partners V, L.P.
Polaris Venture Partners Entrepreneurs' Fund V, L.P.
Polaris Venture Partners Founders' Fund V, L.P.
Polaris Venture Partners Special Founders' Fund V, L.P.
Flybridge Capital Partners I, L.P.
Flybridge Capital Partners II, L.P.
Partners Healthcare System Pooled Investment Accounts
In-Q-Tel, Inc.
Physic Ventures, L.P.
Arcus Ventures Fund, L.P.
RA Capital Healthcare Fund, LP
Blackwell Partners, LLC
Camros Capital, LLC
WS Investment Company, LLC (2010A)
WS Investment Company, LLC (2011A)
WS Investment Company, LLC (2013A)
Aisling Capital III, LP
Broad Street Principal Investments, L.L.C.
Bridge Street 2013 Holdings, L.P.
MBD 2013 Holdings, L.P.
Michael Cima

T2 BIOSYSTEMS, INC.

AMENDMENT NO. 1 TO
FOURTH AMENDED AND RESTATED
INVESTORS' RIGHTS AGREEMENT

THIS AMENDMENT NO. 1 TO FOURTH AMENDED AND RESTATED INVESTORS' RIGHTS AGREEMENT (this "Amendment"), dated as of July 21, 2014, is made by and among T2 Biosystems, Inc., a Delaware corporation (the "Company"), and the other parties to the Fourth Amended and Restated Investors' Rights Agreement, dated as of March 22, 2013 (the "Agreement"), set forth on the signature pages hereto, and amends the Agreement. Capitalized terms used but not defined herein shall have the meanings ascribed to them in the Agreement.

WHEREAS, the Company plans to issue and sell newly issued shares of its common stock in an initial public offering to be registered under the Securities Act of 1933, as amended, on a Registration Statement on Form S-1 (No. 333-197193) previously filed with the Securities and Exchange Commission (the "Offering").

WHEREAS, Section 5.1 of the Agreement provides that the Agreement may not be amended other than with a written instrument referencing the Agreement and signed by the Company and the Holders holding at least a majority of the Registrable Securities (excluding any of such shares that have been sold to the public or pursuant to Rule 144).

WHEREAS, in connection with the Offering, the Company and the other parties hereto, being the Holders holding at least a majority of the Registrable Securities (excluding any of such shares that have been sold to the public or pursuant to Rule 144), desire to amend the Agreement as set forth herein.

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

Section 1. Amendment.

(a) Section 2.2(a) of the Agreement is hereby amended and restated in its entirety to read as follows:

"(a) Company Registration. If the Company shall determine to register any of its securities either for its own account or the account of a security holder or holders, other than the initial firm commitment underwritten public offering of Common Stock registered under the Securities Act, a registration pursuant to Sections 2.1 or 2.3, a registration relating solely to employee benefit plans, a registration relating to the offer and sale of debt securities, a registration relating to a corporate reorganization or other Rule 145 transaction, or a registration on any registration form that does not permit secondary sales, the Company will:

(i) promptly give written notice of the proposed registration to all Holders; and

(ii) include in such registration (and any related qualification under blue sky laws or other compliance), except as set forth in Section 2.2(b) below, and in any underwriting involved therein, all of such Registrable Securities as are specified in a written request or requests made by any Holder or Holders received by the Company within twenty (20) days after such written notice from the Company is mailed or delivered. Such written request may specify all or a part of a Holder's Registrable Securities. If a Holder decides not to include all of its Registrable Securities in any registration statement thereafter filed by the Company, such Holder shall nevertheless continue to have the right to include any Registrable Securities in any subsequent registration statement or registration statements as may be filed by the Company with respect to offerings of its securities, all upon the terms and conditions set forth herein."

Section 2. Governing Law. This Amendment will be governed by and construed in accordance with the laws of the State of Delaware without regard to any choice of law or conflict of law provision or rule that would cause the application of the laws of any other jurisdiction.

Section 3. Counterparts. This Amendment may be executed in two or more counterparts, each of which will be deemed an original but all of which together will constitute one and the same instrument. All such counterparts will be deemed an original, will be construed together and will constitute one and the same instrument.

Section 4. Headings. The headings in this Amendment are for reference purposes only and will not in any way affect the meaning or interpretation of this Amendment.

Section 5. Prior Agreements. This Amendment and the other agreements contemplated hereby constitute the entire agreement between the parties concerning the subject matter hereof and supersedes any prior representations, understandings or agreements. There are no representations, warranties, agreements, conditions or covenants, of any nature whatsoever (whether express or implied, written or oral) between the parties hereto with respect to such subject matter except as expressly set forth herein and in the other agreements contemplated hereby.

Section 6. Severability. In the event that any one or more of the provisions contained herein, or the application thereof in any circumstances, is held invalid, illegal or unenforceable in any respect for any reason, the validity, legality and enforceability of any such provision in every other respect and of the remaining provisions contained herein will not be in any way impaired thereby, it being intended that all of the rights and privileges of the parties hereto will be enforceable to the fullest extent permitted by law.

Section 7. No Further Effect. Except as explicitly modified by this Amendment, the Agreement shall remain in full force and effect in accordance with its terms.

[*Signature Pages Follow*]

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

COMPANY:

T2 BIOSYSTEMS, INC.

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

HOLDERS:

POLARIS VENTURE PARTNERS V, L.P.
By: POLARIS VENTURE MANAGEMENT CO. V, L.L.C.
Its General Partner

By: /s/ John Gannon
Name: John Gannon
Title: Member

POLARIS VENTURE PARTNERS ENTREPRENEUERS' FUND V, L.P.
By: POLARIS VENTURE MANAGEMENT CO. V, L.L.C.
Its General Partner

By: /s/ John Gannon
Name: John Gannon
Title: Member

POLARIS VENTURE PARTNERS FOUNDERS' FUND V, L.P.
By: POLARIS VENTURE MANAGEMENT CO. V, L.L.C.
Its General Partner

By: /s/ John Gannon
Name: John Gannon
Title: Member

POLARIS VENTURE PARTNERS SPECIAL FOUNDERS' FUND V, L.P.
By: POLARIS VENTURE MANAGEMENT CO. V, L.L.C.
Its General Partner

By: /s/ John Gannon
Name: John Gannon
Title: Member

FLYBRIDGE CAPITAL PARTNERS I, L.P.
By: Flybridge Capital Partners G.P. I, L.L.C.
Its General Partner

By: /s/ David Aronoff
Name: David Aronoff
Title: General Partner

FLYBRIDGE CAPITAL PARTNERS II, L.P.
By: Flybridge Capital Partners G.P. II, L.L.C.
Its General Partner

By: /s/ David Aronoff
Name: David Aronoff
Title: General Partner

FLAGSHIP VENTURES FUND 2004, L.P.
By: Flagship Ventures General Partner LLC
Its General Partner

By: /s/ Noubar B. Afeyan
Name: Noubar B. Afeyan
Title: Manager

FLAGSHIP VENTURES FUND IV, L.P.
By: Flagship Ventures Fund IV General Partner LLC
Its General Partner

By: /s/ Noubar B. Afeyan
Name: Noubar B. Afeyan
Title: Manager

PHYSIC VENTURES, L.P.
By: Physic Ventures Management, L.L.C.
Its General Partner

By: /s/ William B. Rosenzweig
Name: William B. Rosenzweig
Title: Managing Partner

MBD 2013 HOLDINGS, L.P.
By: MBD Advisors, L.L.C., its
General Partner

By: /s/ [ILLEGIBLE]
Name: [ILLEGIBLE]
Title: Vice President

BRIDGE STREET 2013 HOLDINGS, L.P.
By: Bridge Street Opportunity
Advisors, L.L.C., its General Partner

By: /s/ [ILLEGIBLE]
Name: [ILLEGIBLE]
Title: Vice President

BROAD STREET PRINCIPAL INVESTMENTS, L.L.C.

By: /s/ [ILLEGIBLE]
Name: [ILLEGIBLE]
Title: Vice President

AISLING CAPITAL III, LP

By: /s/ Lloyd Appal
Name: Lloyd Appal
Title: CFO

/s/ Michael Cima
Michael Cima

T2 BIOSYSTEMS, INC.

AMENDMENT NO. 2 TO
FOURTH AMENDED AND RESTATED
INVESTORS' RIGHTS AGREEMENT

THIS AMENDMENT NO. 2 TO FOURTH AMENDED AND RESTATED INVESTORS' RIGHTS AGREEMENT (this "Amendment"), dated as of July 25, 2014, is made by and among T2 Biosystems, Inc., a Delaware corporation (the "Company"), and the other parties to the Fourth Amended and Restated Investors' Rights Agreement, dated as of March 22, 2013 (as amended to date, the "Agreement"), set forth on the signature pages hereto, and amends the Agreement. Capitalized terms used but not defined herein shall have the meanings ascribed to them in the Agreement.

WHEREAS, the Company plans to issue and sell newly issued shares of its common stock in an initial public offering to be registered under the Securities Act of 1933, as amended, on a Registration Statement on Form S-1 (No. 333-197193) previously filed with the Securities and Exchange Commission (the "Offering").

WHEREAS, Section 5.1 of the Agreement provides that the Agreement may not be amended other than with a written instrument referencing the Agreement and signed by the Company and the Holders holding at least a majority of the Registrable Securities (excluding any of such shares that have been sold to the public or pursuant to Rule 144).

WHEREAS, in connection with the Offering, the Company and the other parties hereto, being the Holders holding at least a majority of the Registrable Securities (excluding any of such shares that have been sold to the public or pursuant to Rule 144), desire to amend the Agreement as set forth herein.

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

Section 1. Amendment.

(a) Section 1.1(r) of the Agreement is hereby amended and restated in its entirety to read as follows:

"(r) "**Registrable Securities**" shall mean (i) shares of Common Stock issued and sold to the Investors at the direction of the Company in the initial firm commitment underwritten public offering of Common Stock registered under the Securities Act, (ii) shares of Common Stock issuable or issued pursuant to the conversion of the Shares, (iii) shares of Common Stock issued or issuable upon conversion of any capital stock of the Company acquired by the Investors after the date hereof and (iv) any Common Stock issued as a dividend or other distribution with respect to or in exchange for or in replacement of the shares referenced in (ii) or (iii) above; provided, however, that Registrable Securities shall not include any shares of Common Stock described in clause (ii) or (iii) above which have previously been registered or described in clause (i), (ii) or (iii)

above which have been sold to the public through a registration statement or could be sold pursuant to Rule 144, or which have been sold in a private transaction in which the transferor's rights under this Agreement are not validly assigned in accordance with this Agreement."

Section 2. Governing Law. This Amendment will be governed by and construed in accordance with the laws of the State of Delaware without regard to any choice of law or conflict of law provision or rule that would cause the application of the laws of any other jurisdiction.

Section 3. Counterparts. This Amendment may be executed in two or more counterparts, each of which will be deemed an original but all of which together will constitute one and the same instrument. All such counterparts will be deemed an original, will be construed together and will constitute one and the same instrument.

Section 4. Headings. The headings in this Amendment are for reference purposes only and will not in any way affect the meaning or interpretation of this Amendment.

Section 5. Prior Agreements. This Amendment and the other agreements contemplated hereby constitute the entire agreement between the parties concerning the subject matter hereof and supersedes any prior representations, understandings or agreements. There are no representations, warranties, agreements, conditions or covenants, of any nature whatsoever (whether express or implied, written or oral) between the parties hereto with respect to such subject matter except as expressly set forth herein and in the other agreements contemplated hereby.

Section 6. Severability. In the event that any one or more of the provisions contained herein, or the application thereof in any circumstances, is held invalid, illegal or unenforceable in any respect for any reason, the validity, legality and enforceability of any such provision in every other respect and of the remaining provisions contained herein will not be in any way impaired thereby, it being intended that all of the rights and privileges of the parties hereto will be enforceable to the fullest extent permitted by law.

Section 7. No Further Effect. Except as explicitly modified by this Amendment, the Agreement shall remain in full force and effect in accordance with its terms.

[*Signature Pages Follow*]

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

COMPANY:

T2 BIOSYSTEMS, INC.

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

HOLDERS:

POLARIS VENTURE PARTNERS V, L.P.
By: POLARIS VENTURE MANAGEMENT CO. V, L.L.C.
Its General Partner

By: /s/ John Gannon
Name: John Gannon
Title: Member

POLARIS VENTURE PARTNERS ENTREPRENEUERS' FUND V, L.P.
By: POLARIS VENTURE MANAGEMENT CO. V, L.L.C.
Its General Partner

By: /s/ John Gannon
Name: John Gannon
Title: Member

POLARIS VENTURE PARTNERS FOUNDERS' FUND V, L.P.
By: POLARIS VENTURE MANAGEMENT CO. V, L.L.C.
Its General Partner

By: /s/ John Gannon
Name: John Gannon
Title: Member

POLARIS VENTURE PARTNERS SPECIAL FOUNDERS' FUND V, L.P.
By: POLARIS VENTURE MANAGEMENT CO. V, L.L.C.
Its General Partner

By: /s/ John Gannon
Name: John Gannon
Title: Member

FLYBRIDGE CAPITAL PARTNERS I, L.P.
By: Flybridge Capital Partners G.P. I, L.L.C.
Its General Partner

By: /s/ David Aronoff
Name: David Aronoff
Title: General Partner

FLYBRIDGE CAPITAL PARTNERS II, L.P.
By: Flybridge Capital Partners G.P. II, L.L.C.
Its General Partner

By: /s/ David Aronoff

Name: David Aronoff
Title: General Partner

FLAGSHIP VENTURES FUND 2004, L.P.
By: Flagship Ventures General Partner LLC
Its General Partner

By: /s/ Noubar Afeyan
Name: Noubar Afeyan
Title: Manager

FLAGSHIP VENTURES FUND IV, L.P.
By: Flagship Ventures Fund IV General Partner LLC
Its General Partner

By: /s/ Noubar Afeyan
Name: Noubar Afeyan
Title: Manager

PHYSIC VENTURES, L.P.
By: Physic Ventures Management, L.L.C.
Its General Partner

By: /s/ William B. Rosenzweig
Name: William B. Rosenzweig
Title: Managing Partner

MBD 2013 HOLDINGS, L.P.
By: MBD Advisors, L.L.C., its General Partner

By: /s/ Tracy Sellers
Name: Tracy Sellers
Title: Vice President

BRIDGE STREET 2013 HOLDINGS, L.P.
By: Bridge Street Opportunity Advisors, L.L.C., its General Partner

By: /s/ Tracy Sellers
Name: Tracy Sellers
Title: Vice President

BROAD STREET PRINCIPAL INVESTMENTS, L.L.C.

By: /s/ Tracy Sellers
Name: Tracy Sellers
Title: Vice President

AISLING CAPITAL III, LP

By: /s/ Lloyd Appal
Name: Lloyd Appal
Title: CFO

/s/ Michael Cima
Michael Cima

Exhibit 5.1

LATHAM&WATKINS LLP

John Hancock Tower, 20th Floor
200 Clarendon Street
Boston, Massachusetts 02116
Tel: +1.617.948.6000 Fax: +1.617.948.6001
www.lw.com

July 28, 2014

T2 Biosystems, Inc.
101 Hartwell Lane
Lexington, Massachusetts 02421

Re: Registration Statement No. 333-197193;
$78,200,000 of shares of Common Stock, $0.001 par value per share

Ladies and Gentlemen:

We have acted as special counsel to T2 Biosystems, Inc., a Delaware corporation (the "***Company***"), in connection with the proposed issuance of up to $78,200,000 of shares (including shares subject to the underwriters' option to purchase additional shares) of common stock, $0.001 par value per share (the "***Shares***"). The Shares are included in a registration statement on Form S-1 under the Securities Act of 1933, as amended (the "Act"), filed with the Securities and Exchange Commission (the "***Commission***") on July 2, 2014 (Registration No. 333-197193) (as amended, the "***Registration Statement***"). The term "Shares" shall include any additional shares of common stock registered by the Company pursuant to Rule 462(b) under the Act in connection with the offering contemplated by the Registration Statement. This opinion is being furnished in connection with the requirements of Item 601(b)(5) of Regulation S-K under the Act, and no opinion is expressed herein as to any matter pertaining to the contents of the Registration Statement or related Prospectus, other than as expressly stated herein with respect to the issue of the Shares.

As such counsel, we have examined such matters of fact and questions of law as we have considered appropriate for purposes of this letter. With your consent, we have relied upon certificates and other assurances of officers of the Company and others as to factual matters without having independently verified such factual matters. We are opining herein as to General Corporation Law of the State of Delaware and we express no opinion with respect to any other laws.

Subject to the foregoing and the other matters set forth herein, it is our opinion that, as of the date hereof, when the Shares shall have been duly registered on the books of the transfer agent and registrar therefor in the name or on behalf of the purchasers, and have been issued by the Company against payment therefor in total numbers that do not exceed the total number of

shares available under the Company's certificate of incorporation and in the circumstances contemplated by the form of underwriting agreement most recently filed as an exhibit to the Registration Statement, the issue and sale of the Shares will have been duly authorized by all necessary corporate action of the Company, and the Shares will be validly issued, fully paid and nonassessable. In rendering the foregoing opinion, we have assumed that the Company will comply with all applicable notice requirements regarding uncertificated shares provided in the General Corporation Law of the State of Delaware.

This opinion is for your benefit in connection with the Registration Statement and may be relied upon by you and by persons entitled to rely upon it pursuant to the applicable provisions of the Act. We consent to your filing this opinion as an exhibit to the Registration Statement and to the reference to our firm in the Prospectus under the heading "Legal Matters." We further consent to the incorporation by reference of this letter and consent into any registration statement filed pursuant to Rule 462(b) with respect to the Shares. In giving such consent, we do not thereby admit that we are in the category of persons whose consent is required under Section 7 of the Act or the rules and regulations of the Commission thereunder.

Very truly yours,

/s/ Latham & Watkins LLP

T2 BIOSYSTEMS, INC.
2014 INCENTIVE AWARD PLAN

ARTICLE 1.

PURPOSE

The purpose of the T2 Biosystems, Inc. 2014 Incentive Award Plan (as it may be amended or restated from time to time, the "Plan") is to promote the success and enhance the value of T2 Biosystems, Inc. (the "Company") by linking the individual interests of the members of the Board, Employees, and Consultants to those of Company stockholders and by providing such individuals with an incentive for outstanding performance to generate superior returns to Company stockholders. The Plan is further intended to provide flexibility to the Company in its ability to motivate, attract, and retain the services of members of the Board, Employees, and Consultants upon whose judgment, interest, and special effort the successful conduct of the Company's operation is largely dependent.

ARTICLE 2.

DEFINITIONS AND CONSTRUCTION

Wherever the following terms are used in the Plan they shall have the meanings specified below, unless the context clearly indicates otherwise. The singular pronoun shall include the plural where the context so indicates.

2.1 "Administrator" shall mean the entity that conducts the general administration of the Plan as provided in Article 11. With reference to the duties of the Committee under the Plan which have been delegated to one or more persons pursuant to Section 11.6, or as to which the Board has assumed, the term "Administrator" shall refer to such person(s) unless the Committee or the Board has revoked such delegation or the Board has terminated the assumption of such duties.

2.2 "Applicable Accounting Standards" shall mean Generally Accepted Accounting Principles in the United States, International Financial Reporting Standards or such other accounting principles or standards as may apply to the Company's financial statements under United States federal securities laws from time to time.

2.3 "Applicable Law" shall mean any applicable law, including without limitation: (i) provisions of the Code, the Securities Act, the Exchange Act and any rules or regulations thereunder; (ii) corporate, securities, tax or other laws, statutes, rules, requirements or regulations, whether federal, state, local or foreign; and (iii) rules of any securities exchange or automated quotation system on which the Shares are listed, quoted or traded.

2.4 "Automatic Exercise Date" shall mean, with respect to an Option or a Stock Appreciation Right, the last business day of the applicable Option Term or Stock Appreciation Right Term that was established by the Administrator for such Option or Stock Appreciation Right (*e.g.*, the last business day prior to the tenth anniversary of the date of grant of such

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Option or Stock Appreciation Right if the Option or Stock Appreciation Right initially had a ten-year Option Term or Stock Appreciation Right Term, as applicable); provided that with respect to an Option or Stock Appreciation Right that has been amended pursuant to this Plan so as to alter the applicable Option Term or Stock Appreciation Right Term, "Automatic Exercise Date" shall mean the last business day of the applicable Option Term or Stock Appreciation Right Term that was established by the Administrator for such Option or Stock Appreciation Right as amended.

2.5 "Award" shall mean an Option, a Restricted Stock award, a Restricted Stock Unit award, a Performance Award, a Dividend Equivalents award, a Stock Payment award or a Stock Appreciation Right, which may be awarded or granted under the Plan (collectively, "Awards").

2.6 "Award Agreement" shall mean any written notice, agreement, terms and conditions, contract or other instrument or document evidencing an Award, including through electronic medium, which shall contain such terms and conditions with respect to an Award as the Administrator shall determine consistent with the Plan.

2.7 "Board" shall mean the Board of Directors of the Company.

2.8 "Change in Control" shall mean and includes each of the following:

(a) A transaction or series of transactions (other than an offering of Common Stock to the general public through a registration statement filed with the Securities and Exchange Commission or a transaction or series of transactions that meets the requirements of clause (i) and (ii) of paragraph (c) below) whereby any "person" or related "group" of "persons" (as such terms are used in Sections 13(d) and 14(d)(2) of the Exchange Act) (other than the Company, any of its Subsidiaries, an employee benefit plan maintained by the Company or any of its Subsidiaries or a "person" that, prior to such transaction, directly or indirectly controls, is controlled by, or is under common control with, the Company) directly or indirectly acquires beneficial ownership (within the meaning of Rule 13d-3 under the Exchange Act) of securities of the Company possessing more than 50% of the total combined voting power of the Company's securities outstanding immediately after such acquisition; or

(b) During any period of two consecutive years, individuals who, at the beginning of such period, constitute the Board together with any new Director(s) (other than a Director designated by a person who shall have entered into an agreement with the Company to effect a transaction described in Section 2.8(a) or Section 2.8(c)) whose election by the Board or nomination for election by the Company's stockholders was approved by a vote of at least two-thirds of the Directors then still in office who either were Directors at the beginning of the two-year period or whose election or nomination for election was previously so approved, cease for any reason to constitute a majority thereof; or

(c) The consummation by the Company (whether directly involving the Company or indirectly involving the Company through one or more intermediaries) of (x) a merger, consolidation, reorganization, or business combination or (y) a sale or other disposition of all or substantially all of the Company's assets in any single transaction or series of related

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transactions or (z) the acquisition of assets or stock of another entity, in each case other than a transaction:

(i) which results in the Company's voting securities outstanding immediately before the transaction continuing to represent (either by remaining outstanding or by being converted into voting securities of the Company or the person that, as a result of the transaction, controls, directly or indirectly, the Company or owns, directly or indirectly, all or substantially all of the Company's assets or otherwise succeeds to the business of the Company (the Company or such person, the "Successor Entity")) directly or indirectly, at least a majority of the combined voting power of the Successor Entity's outstanding voting securities immediately after the transaction, and

(ii) after which no person or group beneficially owns voting securities representing 50% or more of the combined voting power of the Successor Entity; provided, however, that no person or group shall be treated for purposes of this Section 2.8(c)(ii) as beneficially owning 50% or more of the combined voting power of the Successor Entity solely as a result of the voting power held in the Company prior to the consummation of the transaction.

In addition, if a Change in Control constitutes a payment event with respect to any portion of an Award that provides for the deferral of compensation and is subject to Section 409A of the Code, the transaction or event described in subsection (a), (b), (c) or (d) with respect to such Award (or portion thereof) must also constitute a "change in control event," as defined in Treasury Regulation Section 1.409A-3(i)(5) to the extent required by Section 409A.

The Committee shall have full and final authority, which shall be exercised in its discretion, to determine conclusively whether a Change in Control of the Company has occurred pursuant to the above definition, and the date of the occurrence of such Change in Control and any incidental matters relating thereto; provided that any exercise of authority in conjunction with a determination of whether a Change in Control is a "change in control event" as defined in Treasury Regulation Section 1.409A-3(i)(5) shall be consistent with such regulation.

2.9 "Code" shall mean the Internal Revenue Code of 1986, as amended from time to time, together with the regulations and official guidance promulgated thereunder.

2.10 "Committee" shall mean the Compensation Committee of the Board, or another committee or subcommittee of the Board or the Compensation Committee, appointed as provided in Section 11.1.

2.11 "Common Stock" shall mean the common stock of the Company, par value $0.001 per share.

2.12 "Company" shall have the meaning set forth in Article 1.

2.13 "Consultant" shall mean any consultant or adviser engaged to provide services to the Company or any Subsidiary that qualifies as a consultant under the applicable rules of the Securities and Exchange Commission for registration of shares on a Form S-8 Registration Statement.

2.14 "Director" shall mean a member of the Board, as constituted from time to time.

2.15 "Dividend Equivalent" shall mean a right to receive the equivalent value (in cash or Shares) of dividends paid on Shares, awarded under Section 8.2.

2.16 "DRO" shall mean a domestic relations order as defined by the Code or Title I of the Employee Retirement Income Security Act of 1974, as amended from time to time, or the rules thereunder.

2.17 "Effective Date" shall mean the day prior to the Public Trading Date.

2.18 "Eligible Individual" shall mean any person who is an Employee, a Consultant or a Non-Employee Director, as determined by the Committee.

2.19 "Employee" shall mean any officer or other employee (as determined in accordance with Section 3401(c) of the Code) of the Company or of any Subsidiary.

2.20 "Equity Restructuring" shall mean a nonreciprocal transaction between the Company and its stockholders, such as a stock dividend, stock split, spin-off, rights offering or recapitalization through a large, nonrecurring cash dividend, that affects the number or kind of Shares (or other securities of the Company) or the share price of Common Stock (or other securities) and causes a change in the per share value of the Common Stock underlying outstanding Awards.

2.21 "Exchange Act" shall mean the Securities Exchange Act of 1934, as amended from time to time.

2.22 "Expiration Date" shall have the meaning given to such term in Section 12.1.

2.23 "Fair Market Value" shall mean, as of any given date, the value of a Share determined as follows:

(a) If the Common Stock is listed on any (i) established securities exchange (such as the New York Stock Exchange, the NASDAQ Global Market and the NASDAQ Global Select Market), (ii) national market system or (iii) automated quotation system, its Fair Market Value shall be the closing sales price for a Share as quoted on such exchange or system for such date or, if there is no closing sales price for a Share on the date in question, the closing sales price for a Share on the last preceding date for which such quotation exists, as reported in *The Wall Street Journal* or such other source as the Administrator deems reliable;

(b) If the Common Stock is not listed on an established securities exchange, national market system or automated quotation system, but the Common Stock is regularly quoted by a recognized securities dealer, its Fair Market Value shall be the mean of the high bid and low asked prices for such date or, if there are no high bid and low asked prices for a Share on such date, the high bid and low asked prices for a Share on the last preceding date for which such information exists, as reported in *The Wall Street Journal* or such other source as the Administrator deems reliable; or

(c) If the Common Stock is neither listed on an established securities exchange, national market system or automated quotation system nor regularly quoted by a recognized securities dealer, its Fair Market Value shall be established by the Administrator in good faith.

Notwithstanding the foregoing, with respect to any Award granted after the effectiveness of the Company's registration statement relating to its initial public offering and prior to the Public Trading Date, the Fair Market Value shall mean the initial public offering price of a Share as set forth in the Company's final prospectus relating to its initial public offering filed with the Securities and Exchange Commission.

2.24 "Greater Than 10% Stockholder" shall mean an individual then owning (within the meaning of Section 424(d) of the Code) more than 10% of the total combined voting power of all classes of stock of the Company or any subsidiary corporation (as defined in Section 424(f) of the Code) or parent corporation thereof (as defined in Section 424(e) of the Code).

2.25 "Holder" shall mean a person who has been granted an Award.

2.26 "Incentive Stock Option" shall mean an Option that is intended to qualify as an incentive stock option and conforms to the applicable provisions of Section 422 of the Code.

2.27 "Non-Employee Director" shall mean a Director of the Company who is not an Employee.

2.28 "Non-Employee Director Equity Compensation Policy" shall have the meaning set forth in Section 4.5.

2.29 "Non-Qualified Stock Option" shall mean an Option that is not an Incentive Stock Option.

2.30 "Option" shall mean a right to purchase Shares at a specified exercise price, granted under Article 5. An Option shall be either a Non-Qualified Stock Option or an Incentive Stock Option; provided, however, that Options granted to Non-Employee Directors and Consultants shall only be Non-Qualified Stock Options.

2.31 "Option Term" shall have the meaning set forth in Section 5.6.

2.32 "Parent" shall mean any entity (other than the Company), whether domestic or foreign, in an unbroken chain of entities ending with the Company if each of the entities other than the Company beneficially owns, at the time of the determination, securities or interests representing at least fifty percent (50%) of the total combined voting power of all classes of securities or interests in one of the other entities in such chain.

2.33 "Performance Award" shall mean a cash bonus award, stock bonus award, performance award or other incentive award that is paid in cash, Shares or a combination of both, awarded under Section 8.1.

2.34 "Performance Criteria" shall mean the criteria (and adjustments) that the Committee selects for an Award for purposes of establishing the Performance Goal or Performance Goals for a Performance Period, determined as follows:

(a) The Performance Criteria that shall be used to establish Performance Goals may include but are not limited to: (i) net earnings (either before or after one or more of (A) interest, (B) taxes, (C) depreciation and (D) amortization); (ii) gross or net sales or revenue; (iii) net income (either before or after taxes); (iv) adjusted net income; (v) operating earnings or profit; (vi) cash flow (including, but not limited to, operating cash flow and free cash flow); (vii) return on assets; (viii) return on capital; (ix) return on stockholders' equity; (x) total stockholder return; (xi) return on sales; (xii) gross or net profit or operating margin; (xiii) costs; (xiv) expenses; (xv) working capital; (xvi) earnings per share; (xvii) adjusted earnings per share; (xviii) price per share; (xix) regulatory body approval for commercialization of a product; (xx) implementation, completion or attainment of objectives relating to research, development, regulatory, commercial, or strategic milestones or developments; (xxi) market share; (xxii) economic value; (xxiii) revenue and (xxiv) revenue growth, any of which may be measured either in absolute terms or as compared to any incremental increase or decrease or as compared to results of a peer group or to market performance indicators or indices.

(b) The Administrator, in its discretion, may adjust the Performance Criteria for any Performance Period for such factors as the Administrator may determine, including, without limitation, in recognition of unusual or non-recurring events affecting the Company or changes in Applicable Law or Applicable Accounting Standards.

2.35 "Performance Goals" shall mean, for a Performance Period, one or more goals established in writing by the Administrator for the Performance Period based upon one or more Performance Criteria. Depending on the Performance Criteria used to establish Performance Goals, Performance Goals may be expressed in terms of overall Company performance or the performance of a Subsidiary, division, business unit, or an individual. The achievement of each Performance Goal shall be determined, to the extent applicable, with reference to Applicable Accounting Standards.

2.36 "Performance Period" shall mean one or more periods of time, which may be of varying and overlapping durations, as the Administrator may select, over which the attainment of one or more Performance Goals will be measured for the purpose of determining a Holder's right to, and the payment of, an Award.

2.37 "Performance Stock Unit" shall mean a Performance Award awarded under Section 8.1 which is denominated in units of value including dollar value of Shares.

2.38 "Permitted Transferee" shall mean, with respect to a Holder, any "family member" of the Holder, as defined in the instructions to use the Form S-8 Registration Statement under the Securities Act, or any other transferee specifically approved by the Administrator after taking into account Applicable Law.

2.39 "Plan" shall have the meaning set forth in Article 1.

2.40 "Prior Plan" shall mean the T2 Biosystems, Inc. Amended and Restated 2006 Employee, Director and Consultant Stock Plan, as such plan may be amended from time to time.

2.41 "Public Trading Date" shall mean the first date upon which Common Stock is listed (or approved for listing) upon notice of issuance on any securities exchange or designated (or approved for designation) upon notice of issuance as a national market security on an interdealer quotation system.

2.42 "Restricted Stock" shall mean Common Stock awarded under Article 6 that is subject to certain restrictions and may be subject to risk of forfeiture or repurchase.

2.43 "Restricted Stock Unit" shall mean the right to receive Shares awarded under Article 7.

2.44 "Securities Act" shall mean the Securities Act of 1933, as amended.

2.45 "Shares" shall mean shares of Common Stock.

2.46 "Stock Appreciation Right" shall mean a stock appreciation right granted under Article 9.

2.47 "Stock Appreciation Right Term" shall have the meaning set forth in Section 9.4.

2.48 "Stock Payment" shall mean (a) a payment in the form of Shares, or (b) an option or other right to purchase Shares, as part of a bonus, deferred compensation or other arrangement, awarded under Section 8.3.

2.49 "Subsidiary" shall mean any entity (other than the Company), whether domestic or foreign, in an unbroken chain of entities beginning with the Company if each of the entities other than the last entity in the unbroken chain beneficially owns, at the time of the determination, securities or interests representing at least 50% of the total combined voting power of all classes of securities or interests in one of the other entities in such chain.

2.50 "Substitute Award" shall mean an Award granted under the Plan upon the assumption of, or in substitution for, outstanding equity awards granted by a company or other entity in connection with a corporate transaction, such as a merger, combination, consolidation or acquisition of property or stock; provided, however, that in no event shall the term "Substitute Award" be construed to refer to an award made in connection with the cancellation and repricing of an Option or Stock Appreciation Right.

2.51 "Termination of Service" shall mean:

(a) As to a Consultant, the time when the engagement of a Holder as a Consultant to the Company or a Subsidiary is terminated for any reason, with or without cause, including, without limitation, by resignation, discharge, death, disability or retirement, but excluding terminations where the Consultant simultaneously commences or remains in employment or service with the Company or any Subsidiary.

(b) As to a Non-Employee Director, the time when a Holder who is a Non-Employee Director ceases to be a Director for any reason, including, without limitation, a termination by resignation, failure to be elected, death, disability or retirement, but excluding terminations where the Holder simultaneously commences or remains in employment or service with the Company or any Subsidiary.

(c) As to an Employee, the time when the employee-employer relationship between a Holder and the Company or any Subsidiary is terminated for any reason, including, without limitation, a termination by resignation, discharge, death, disability or retirement; but excluding terminations where the Holder simultaneously commences or remains in employment or service with the Company or any Subsidiary.

The Administrator, in its discretion, shall determine the effect of all matters and questions relating to any Termination of Service, including, without limitation, the question of whether a Termination of Service resulted from a discharge for cause and all questions of whether particular leaves of absence constitute a Termination of Service; provided, however, that, with respect to Incentive Stock Options, unless the Administrator otherwise provides in the terms of the Award Agreement or otherwise, or as otherwise required by Applicable Law, a leave of absence, change in status from an employee to an independent contractor or other change in the employee-employer relationship shall constitute a Termination of Service only if, and to the extent that, such leave of absence, change in status or other change interrupts employment for the purposes of Section 422(a)(2) of the Code. For purposes of the Plan, a Holder's employee-employer relationship or consultancy relations shall be deemed to be terminated in the event that the Subsidiary employing or contracting with such Holder ceases to remain a Subsidiary following any merger, sale of stock or other corporate transaction or event (including, without limitation, a spin-off).

ARTICLE 3.

SHARES SUBJECT TO THE PLAN

3.1 Number of Shares.

(a) Subject to Sections 3.1(b) and 12.2, the aggregate number of Shares which may be issued or transferred pursuant to Awards under the Plan is the sum of: (i) 823,529 Shares, (ii) any Shares which as of the Effective Date are subject to awards granted under the Prior Plan which are forfeited, lapse unexercised or are settled in cash and which following the Effective Date are not issued under the Prior Plan; and (iii) an annual increase on the first day of each calendar year beginning January 1, 2015 and ending on and including January 1, 2024, equal to the lesser of (A) 823,529 Shares, (B) 4% of the Shares outstanding (on an as-converted basis) on the final day of the immediately preceding calendar year and (C) such smaller number of Shares as determined by the Board; provided, however, no more than 8,235,294 Shares may be issued upon the exercise of Incentive Stock Options. From and after the Effective Date, no awards shall be granted under the Prior Plan. Any award outstanding under

the Prior Plan as of the Effective Date shall continue to be subject to the terms and conditions of the Prior Plan.

(b) To the extent all or a portion of an Award is forfeited, expires, lapses for any reason, or is settled for cash without the delivery of Shares to the Holder, any Shares subject to such Award or portion thereof shall, to the extent of such forfeiture, expiration, lapse or cash settlement, again be available for the grant of an Award under the Plan. Any Shares repurchased by or surrendered to the Company under Section 6.4 so that such Shares are returned to the Company shall again be available for the grant of an Award under the Plan. The payment of Dividend Equivalents in cash in conjunction with any outstanding Awards shall not be counted against the Shares available for issuance under the Plan. Notwithstanding the provisions of this Section 3.1(b), no Shares may again be optioned, granted or awarded if such action would cause an Incentive Stock Option to fail to qualify as an incentive stock option under Section 422 of the Code.

(c) To the extent permitted by Applicable Law, Substitute Awards shall not reduce the Shares authorized for grant under the Plan.

3.2 Stock Distributed. Any Shares distributed pursuant to an Award may consist, in whole or in part, of authorized and unissued Common Stock, treasury Common Stock or Common Stock purchased on the open market.

3.3 Limitation on Awards to Non-Employee Directors. Notwithstanding any provision in the Plan to the contrary, and subject to Section 12.2, no Non-Employee Director shall be granted Awards under the Plan for services as a Non-Employee Director for any one year covering more than 250,000 Shares, *provided* that a Non-Employee Director may be granted Awards under the Plan for services as a Non-Employee Director for any one year in excess of such amount if the total Awards granted to such Non-Employee Director under the Plan for services as a Non-Employee Director in such year do not have a grant date fair value, as determined in accordance with Financial Accounting Standards Board Accounting Standards Codification Topic 718, or any successor thereto, in excess of $1,000,000.

ARTICLE 4.

GRANTING OF AWARDS

4.1 Participation. The Administrator may, from time to time, select from among all Eligible Individuals, those to whom an Award shall be granted and shall determine the nature and amount of each Award, which shall not be inconsistent with the requirements of the Plan. Except as provided in Section 4.5 regarding the grant of Awards pursuant to the Non-Employee Director Equity Compensation Policy, no Eligible Individual shall have any right to be granted an Award pursuant to the Plan.

4.2 Award Agreement. Each Award shall be evidenced by an Award Agreement that sets forth the terms, conditions and limitations for such Award, which may include the term of the Award, the provisions applicable in the event of the Holder's Termination of Service, and the Company's authority to unilaterally or bilaterally amend, modify, suspend, cancel or rescind

an Award. Award Agreements evidencing Incentive Stock Options shall contain such terms and conditions as may be necessary to meet the applicable provisions of Section 422 of the Code.

4.3 Limitations Applicable to Section 16 Persons. Notwithstanding any other provision of the Plan, the Plan, and any Award granted or awarded to any individual who is then subject to Section 16 of the Exchange Act, shall be subject to any additional limitations set forth in any applicable exemptive rule under Section 16 of the Exchange Act (including Rule 16b-3 of the Exchange Act and any amendments thereto) that are requirements for the application of such exemptive rule. To the extent permitted by Applicable Law, the Plan and Awards granted or awarded hereunder shall be deemed amended to the extent necessary to conform to such applicable exemptive rule.

4.4 At-Will Employment; Voluntary Participation. Nothing in the Plan or Award Agreement shall confer upon any Holder any right to continue in the employ of, or as a Director or Consultant for, the Company or any Subsidiary, or shall interfere with or restrict in any way the rights of the Company and any Subsidiary, which rights are hereby expressly reserved, to discharge any Holder at any time for any reason whatsoever, with or without cause, and with or without notice, or to terminate or change all other terms and conditions of employment or engagement, except to the extent expressly provided otherwise in a written agreement between the Holder and the Company or any Subsidiary. Participation by each Holder in the Plan shall be voluntary and nothing in the Plan shall be construed as mandating that any Eligible Individual shall participate in the Plan.

4.5 Non-Employee Director Awards. The Administrator, in its discretion, may provide that Awards granted to Non-Employee Directors shall be granted pursuant to a written nondiscretionary formula established by the Administrator (the "Non-Employee Director Equity Compensation Policy"), subject to the limitations of the Plan. The Non-Employee Director Equity Compensation Policy shall set forth the type of Award(s) to be granted to Non-Employee Directors, the number of Shares to be subject to Non-Employee Director Awards, the conditions on which such Awards shall be granted, become exercisable and/or payable and expire, and such other terms and conditions as the Administrator shall determine in its discretion. The Non-Employee Director Equity Compensation Policy may be modified by the Administrator from time to time in its discretion.

4.6 Stand-Alone and Tandem Awards. Awards granted pursuant to the Plan may, in the discretion of the Administrator, be granted either alone, in addition to, or in tandem with, any other Award granted pursuant to the Plan. Awards granted in addition to or in tandem with other Awards may be granted either at the same time as or at a different time from the grant of such other Awards.

ARTICLE 5.

OPTIONS

5.1 Granting of Options to Eligible Individuals. The Administrator is authorized to grant Options to Eligible Individuals from time to time, in its discretion, on such terms and conditions as it may determine, which shall not be inconsistent with the Plan.

5.2 Option Exercise Price. The exercise price per Share subject to each Option shall be set by the Administrator, but shall not be less than 100% of the Fair Market Value of a Share on the date the Option is granted (or, as to Incentive Stock Options, on the date the Option is modified, extended or renewed for purposes of Section 424(h) of the Code) unless otherwise determined by the Administrator. In addition, in the case of Incentive Stock Options granted to a Greater Than 10% Stockholder, such price shall not be less than 110% of the Fair Market Value of a Share on the date the Option is granted (or the date the Option is modified, extended or renewed for purposes of Section 424(h) of the Code).

5.3 Option Vesting.

(a) The period during which the right to exercise, in whole or in part, an Option vests in the Holder shall be set by the Administrator and the Administrator may determine that an Option may not be exercised in whole or in part for a specified period after it is granted. Such vesting may be based on service with the Company or any Subsidiary or any other criteria selected by the Administrator, including Performance Goals or Performance Criteria. At any time after the grant of an Option, the Administrator, in its discretion and subject to whatever terms and conditions it selects, may accelerate the period during which an Option vests.

(b) No portion of an Option which is unexercisable at a Holder's Termination of Service shall thereafter become exercisable, except as may be otherwise provided by the Administrator either in the Award Agreement evidencing the grant of an Option or by action of the Administrator following the grant of the Option. Unless otherwise determined by the Administrator in the Award Agreement or by action of the Administrator following the grant of the Option, the portion of an Option that is unexercisable at a Holder's Termination of Service shall automatically expire thirty (30) days following such Termination of Service.

5.4 Manner of Exercise. All or a portion of an exercisable Option shall be deemed exercised upon delivery of all of the following to the Secretary of the Company, the stock administrator of the Company or such other person or entity designated by the Administrator, or his, her or its office, as applicable:

(a) A written or electronic notice complying with the applicable rules established by the Administrator stating that the Option, or a portion thereof, is exercised. The notice shall be signed by the Holder or other person then entitled to exercise the Option or such portion of the Option.

(b) Such representations and documents as the Administrator, in its discretion, deems necessary or advisable to effect compliance with Applicable Law. The Administrator may, in its discretion, also take whatever additional actions it deems appropriate to effect such compliance including, without limitation, placing legends on share certificates and issuing stop-transfer notices to agents and registrars.

(c) In the event that the Option shall be exercised by any person or persons other than the Holder, appropriate proof of the right of such person or persons to exercise the Option, as determined in the discretion of the Administrator.

(d) Full payment of the exercise price and applicable withholding taxes for the shares with respect to which the Option, or portion thereof, is exercised, in a manner permitted by Section 10.1 and Section 10.2.

5.5 Partial Exercise. An exercisable Option may be exercised in whole or in part. However, an Option shall not be exercisable with respect to fractional Shares unless otherwise determined by the Administrator and the Administrator may require that, by the terms of the Option, a partial exercise must be with respect to a minimum number of shares.

5.6 Option Term. The term of each Option (the "Option Term") shall be set by the Administrator in its discretion; provided, however, that the Option Term shall not be more than ten (10) years from the date the Option is granted, or five (5) years from the date an Incentive Stock Option is granted to a Greater Than 10% Stockholder. The Administrator shall determine the time period, including the time period following a Termination of Service, during which the Holder has the right to exercise the vested Options, which time period may not extend beyond the last day of the Option Term. Except as limited by the requirements of Section 409A of the Code or the first sentence of this Section 5.6, the Administrator may extend the Option Term of any outstanding Option, and may extend the time period during which vested Options may be exercised, in connection with any Termination of Service of the Holder, and may amend, subject to Section 12.1, any other term or condition of such Option relating to such a Termination of Service.

5.7 Expiration of Option Term: Automatic Exercise of In-The-Money Options. Unless otherwise determined by the Administrator (in an Award Agreement or otherwise) or as otherwise directed by an Option Holder in writing to the Company, each Option outstanding on the Automatic Exercise Date with an exercise price per share that is less than the Fair Market Value per share of Common Stock as of such date shall automatically and without further action by the Option Holder or the Company be exercised on the Automatic Exercise Date. In the discretion of the Administrator, payment of the exercise price of any such Option shall be made pursuant to Section 10.1(b) or Section 10.1(c) and the Company or any Subsidiary shall deduct or withhold an amount sufficient to satisfy all taxes associated with such exercise in accordance with Section 10.2. Unless otherwise determined by the Administrator, this Section 5.7 shall not apply to an Option if the Holder of such Option incurs a Termination of Service on or before the Automatic Exercise Date. For the avoidance of doubt, no Option with an exercise price per share that is equal to or greater than the Fair Market Value per share of Common Stock on the Automatic Exercise Date shall be exercised pursuant to this Section 5.7.

5.8 Notification Regarding Disposition. The Holder shall give the Company prompt written or electronic notice of any disposition of Shares acquired by exercise of an Incentive Stock Option which occurs within (a) two years from the date of granting (including the date the Option is modified, extended or renewed for purposes of Section 424(h) of the Code) such Option to such Holder, or (b) one year after the transfer of such Shares to such Holder.

ARTICLE 6.

RESTRICTED STOCK

6.1 Award of Restricted Stock.

(a) The Administrator is authorized to grant Restricted Stock to Eligible Individuals, and shall determine the terms and conditions, including the restrictions applicable to each award of Restricted Stock, which terms and conditions shall not be inconsistent with the Plan, and may impose such conditions on the issuance of such Restricted Stock as it deems appropriate.

(b) The Administrator shall establish the purchase price, if any, and form of payment for Restricted Stock; provided, however, that if a purchase price is charged, such purchase price shall be no less than the par value, if any, of the Shares to be purchased, unless otherwise permitted by Applicable Law. In all cases, legal consideration shall be required for each issuance of Restricted Stock.

6.2 Rights as Stockholders. Subject to Section 6.4, upon issuance of Restricted Stock, the Holder shall have, unless otherwise provided by the Administrator, all the rights of a stockholder with respect to said Shares, subject to the restrictions in each individual Award Agreement, including the right to receive all dividends and other distributions paid or made with respect to the Shares; provided, however, that, in the discretion of the Administrator, any extraordinary distributions with respect to the Shares shall be subject to the restrictions set forth in Section 6.3.

6.3 Restrictions. All shares of Restricted Stock (including any shares received by Holders thereof with respect to shares of Restricted Stock as a result of stock dividends, stock splits or any other form of recapitalization) shall, in the terms of each individual Award Agreement, be subject to such restrictions and vesting requirements as the Administrator shall provide. Such restrictions may include, without limitation, restrictions concerning voting rights and transferability and such restrictions may lapse separately or in combination at such times and pursuant to such circumstances or based on such criteria as selected by the Administrator, including, without limitation, criteria based on the Holder's duration of employment, directorship or consultancy with the Company, Performance Goals, Performance Criteria, Company performance, individual performance or other criteria selected by the Administrator. By action taken after the Restricted Stock is issued, the Administrator may, on such terms and conditions as it may determine to be appropriate, accelerate the vesting of such Restricted Stock by removing any or all of the restrictions imposed by the terms of the applicable Award Agreement. Unless otherwise determined by the Administrator, Restricted Stock may not be sold or encumbered until all restrictions are terminated or expire.

6.4 Repurchase or Forfeiture of Restricted Stock. Except as otherwise determined by the Administrator at the time of the grant of the Award or thereafter, (a) if no price was paid by the Holder for the Restricted Stock, upon a Termination of Service during the applicable restriction period, the Holder's rights in unvested Restricted Stock then subject to restrictions shall lapse, and such Restricted Stock shall be surrendered to the Company and cancelled

without consideration, and (b) if a price was paid by the Holder for the Restricted Stock, upon a Termination of Service during the applicable restriction period, the Company shall have the right to repurchase from the Holder the unvested Restricted Stock then subject to restrictions at a cash price per share equal to the price paid by the Holder for such Restricted Stock or such other amount as may be specified in the applicable Award Agreement.

6.5 Certificates for Restricted Stock. Restricted Stock granted pursuant to the Plan may be evidenced in such manner as the Administrator shall determine. Certificates or book entries evidencing shares of Restricted Stock shall include an appropriate legend referring to the terms, conditions, and restrictions applicable to such Restricted Stock. The Company, in its discretion, may (a) retain physical possession of any stock certificate evidencing shares of Restricted Stock until the restrictions thereon shall have lapsed and/or (b) require that the stock certificates evidencing shares of Restricted Stock be held in custody by a designated escrow agent (which may but need not be the Company) until the restrictions thereon shall have lapsed and that the Holder deliver a stock power, endorsed in blank, relating to such Restricted Stock.

6.6 Section 83(b) Election. If a Holder makes an election under Section 83(b) of the Code to be taxed with respect to the Restricted Stock as of the date of transfer of the Restricted Stock rather than as of the date or dates upon which the Holder would otherwise be taxable under Section 83(a) of the Code, the Holder shall be required to deliver a copy of such election to the Company promptly after filing such election with the Internal Revenue Service.

ARTICLE 7.

RESTRICTED STOCK UNITS

7.1 Grant of Restricted Stock Units. The Administrator is authorized to grant Awards of Restricted Stock Units to any Eligible Individual selected by the Administrator in such amounts and subject to such terms and conditions as determined by the Administrator.

7.2 Purchase Price. The Administrator shall specify the purchase price, if any, to be paid by the Holder to the Company with respect to any Restricted Stock Unit award; provided, however, that value of the consideration shall not be less than the par value of a Share, unless otherwise permitted by Applicable Law.

7.3 Vesting of Restricted Stock Units. At the time of grant, the Administrator shall specify the date or dates on which the Restricted Stock Units shall become fully vested and nonforfeitable, and may specify such conditions to vesting as it deems appropriate, including, without limitation, vesting based upon the Holder's duration of service to the Company or any Subsidiary, Company performance, individual performance or other specific criteria, in each case on a specified date or dates or over any period or periods, as determined by the Administrator.

7.4 Maturity and Payment. At the time of grant, the Administrator shall specify the maturity date applicable to each grant of Restricted Stock Units, which shall be no earlier than the vesting date or dates of the Award and may be determined at the election of the Holder (if permitted by the applicable Award Agreement); provided that, except as otherwise set forth in an applicable Award Agreement, the maturity date relating to each Restricted Stock Unit shall not

occur following the later of (a) the 15th day of the third month following the end of the calendar year in which the applicable portion of the Restricted Stock Unit vests; or (b) the 15th day of the third month following the end of the Company's fiscal year in which the applicable portion of the Restricted Stock Unit vests. On the maturity date, the Company shall, subject to Section 10.4, transfer to the Holder one unrestricted, fully transferable Share for each Restricted Stock Unit scheduled to be paid out on such date and not previously forfeited, or in the discretion of the Administrator, an amount in cash equal to the Fair Market Value of such Shares on the maturity date or a combination of cash and Common Stock as determined by the Administrator.

7.5 No Rights as a Stockholder. Unless otherwise determined by the Administrator, a Holder of Restricted Stock Units shall possess no incidents of ownership with respect to the Shares represented by such Restricted Stock Units, unless and until such Shares are transferred to the Holder pursuant to the terms of this Plan and the Award Agreement.

ARTICLE 8.

PERFORMANCE AWARDS, DIVIDEND EQUIVALENTS, STOCK PAYMENTS

8.1 Performance Awards. The Administrator is authorized to grant Performance Awards, including Awards of Performance Stock Units and other Awards determined in the Administrator's discretion from time to time, to any Eligible Individual. The value of Performance Awards, including Performance Stock Units, may be linked to the attainment of the Performance Goals or other specific criteria, whether or not objective, determined by the Administrator, in each case on a specified date or dates or over any period or periods and in such amounts as may be determined by the Administrator.

8.2 Dividend Equivalents.

(a) Dividend Equivalents may be granted by the Administrator based on dividends declared on the Common Stock, to be credited as of dividend payment dates with respect to dividends with record dates that occur during the period between the date an Award is granted to a Holder and the date such Award vests, is exercised, is distributed or expires, as determined by the Administrator. Such Dividend Equivalents shall be converted to cash or additional Shares by such formula and at such time and subject to such restrictions and limitations as may be determined by the Administrator.

8.3 Stock Payments. The Administrator is authorized to make Stock Payments to any Eligible Individual. The number or value of Shares of any Stock Payment shall be determined by the Administrator and may be based upon one or more Performance Goals or any other specific criteria, including service to the Company or any Subsidiary, determined by the Administrator. Shares underlying a Stock Payment which is subject to a vesting schedule or other conditions or criteria set by the Administrator shall not be issued until those conditions have been satisfied. Unless otherwise provided by the Administrator, a Holder of a Stock Payment shall have no rights as a Company stockholder with respect to such Stock Payment until such time as the Stock Payment has vested and the Shares underlying the Award have been issued to the Holder. Stock Payments may, but are not required to, be made in lieu of base salary, bonus, fees or other cash compensation otherwise payable to such Eligible Individual.

8.4 Purchase Price. The Administrator may establish the purchase price of a Performance Award or Shares distributed as a Stock Payment award; provided, however, that value of the consideration shall not be less than the par value of a Share, unless otherwise permitted by Applicable Law.

ARTICLE 9.

STOCK APPRECIATION RIGHTS

9.1 Grant of Stock Appreciation Rights.

(a) The Administrator is authorized to grant Stock Appreciation Rights to Eligible Individuals from time to time, in its discretion, on such terms and conditions as it may determine, which shall not be inconsistent with the Plan.

(b) A Stock Appreciation Right shall entitle the Holder (or other person entitled to exercise the Stock Appreciation Right pursuant to the Plan) to exercise all or a specified portion of the Stock Appreciation Right (to the extent then exercisable pursuant to its terms) and to receive from the Company an amount determined by multiplying the difference obtained by subtracting the exercise price per share of the Stock Appreciation Right from the Fair Market Value on the date of exercise of the Stock Appreciation Right by the number of Shares with respect to which the Stock Appreciation Right shall have been exercised, subject to any limitations the Administrator may impose. Unless otherwise determined by the Administrator, the exercise price per Share subject to each Stock Appreciation Right shall be set by the Administrator, but shall not be less than 100% of the Fair Market Value on the date the Stock Appreciation Right is granted.

9.2 Stock Appreciation Right Vesting.

(a) The period during which the right to exercise, in whole or in part, a Stock Appreciation Right vests in the Holder shall be set by the Administrator, and the Administrator may determine that a Stock Appreciation Right may not be exercised in whole or in part for a specified period after it is granted. Such vesting may be based on service with the Company or any Subsidiary, Performance Criteria, Performance Goals or any other criteria selected by the Administrator. At any time after grant of a Stock Appreciation Right, the Administrator, in its discretion and subject to whatever terms and conditions it selects, may accelerate the period during which a Stock Appreciation Right vests.

(b) No portion of a Stock Appreciation Right which is unexercisable at a Holder's Termination of Service shall thereafter become exercisable, except as may be otherwise provided by the Administrator in an Award Agreement or by action of the Administrator following the grant of the Stock Appreciation Right. Unless otherwise determined by the Administrator in the Award Agreement or by action of the Administrator following the grant of the Stock Appreciation Right, the portion of a Stock Appreciation Right which is unexercisable at a Holder's Termination of Service shall automatically expire thirty (30) days following such Termination of Service.

9.3 Manner of Exercise. All or a portion of an exercisable Stock Appreciation Right shall be deemed exercised upon delivery of all of the following to the Secretary of the Company, the stock administrator of the Company, or such other person or entity designated by the Administrator, or his, her or its office, as applicable:

(a) A written or electronic notice complying with the applicable rules established by the Administrator stating that the Stock Appreciation Right, or a portion thereof, is exercised. The notice shall be signed by the Holder or other person then entitled to exercise the Stock Appreciation Right or such portion of the Stock Appreciation Right.

(b) Such representations and documents as the Administrator, in its discretion, deems necessary or advisable to effect compliance with Applicable Law. The Administrator, in its discretion, may also take whatever additional actions it deems appropriate to effect such compliance, including, without limitation, placing legends on share certificates and issuing stop-transfer notices to agents and registrars.

(c) In the event that the Stock Appreciation Right shall be exercised by any person or persons other than the Holder, appropriate proof of the right of such person or persons to exercise the Stock Appreciation Right, as determined in the discretion of the Administrator.

(d) Full payment of the exercise price and applicable withholding taxes for the Shares with respect to which the Stock Appreciation Right, or portion thereof, is exercised, in a manner permitted by Section 10.1 and Section 10.2.

9.4 Stock Appreciation Right Term. The term of each Stock Appreciation Right (the "Stock Appreciation Right Term") shall be set by the Administrator in its discretion; provided, however, that the Stock Appreciation Right Term shall not be more than ten (10) years from the date the Stock Appreciation Right is granted. The Administrator shall determine the time period, including the time period following a Termination of Service, during which the Holder has the right to exercise the vested Stock Appreciation Rights, which time period may not extend beyond the last day of the Stock Appreciation Right Term applicable to such Stock Appreciation Right. Except as limited by the requirements of Section 409A of the Code or the first sentence of this Section 9.4, the Administrator may extend the Stock Appreciation Right Term of any outstanding Stock Appreciation Right, and may extend the time period during which vested Stock Appreciation Rights may be exercised, in connection with any Termination of Service of the Holder, and may amend, subject to Section 14.1, any other term or condition of such Stock Appreciation Right relating to such a Termination of Service.

9.5 Payment. Payment of the amounts payable with respect to Stock Appreciation Rights pursuant to this Article 9 shall be in cash, Shares (based on Fair Market Value as of the date the Stock Appreciation Right is exercised), or a combination of both, as determined by the Administrator.

9.6 Expiration of Stock Appreciation Right Term: Automatic Exercise of In-The-Money Stock Appreciation Rights. Unless otherwise determined by the Administrator (in an Award Agreement or otherwise) or as otherwise directed by a Stock Appreciation Right Holder in writing to the Company, each Stock Appreciation Right outstanding on the Automatic

Exercise Date with an exercise price per share that is less than the Fair Market Value per share of Common Stock as of such date shall automatically and without further action by the Stock Appreciation Right Holder or the Company be exercised on the Automatic Exercise Date. In the discretion of the Administrator, the Company or any Subsidiary shall deduct or withhold an amount sufficient to satisfy all taxes associated with such exercise in accordance with Section 10.2. Unless otherwise determined by the Administrator, this Section 9.6 shall not apply to a Stock Appreciation Right if the Holder of such Stock Appreciation Right incurs a Termination of Service on or before the Automatic Exercise Date. For the avoidance of doubt, no Stock Appreciation Right with an exercise price per share that is equal to or greater than the Fair Market Value per share of Common Stock on the Automatic Exercise Date shall be exercised pursuant to this Section 9.6.

ARTICLE 10.

ADDITIONAL TERMS OF AWARDS

10.1 Payment. The Administrator shall determine the methods by which payments by any Holder with respect to any Awards granted under the Plan shall be made, including, without limitation: (a) cash or check, (b) Shares (including, in the case of payment of the exercise price of an Award, Shares issuable pursuant to the exercise of the Award) held for such period of time as may be required by the Administrator in order to avoid adverse accounting consequences, in each case, having a Fair Market Value on the date of delivery equal to the aggregate payments required, (c) delivery of a written or electronic notice that the Holder has placed a market sell order with a broker acceptable to the Company with respect to Shares then issuable upon exercise or vesting of an Award, and that the broker has been directed to pay a sufficient portion of the net proceeds of the sale to the Company in satisfaction of the aggregate payments required; provided that payment of such proceeds is then made to the Company upon settlement of such sale, or (d) any other form of legal consideration acceptable to the Administrator in its discretion. The Administrator shall also determine the methods by which Shares shall be delivered or deemed to be delivered to Holders. Notwithstanding any other provision of the Plan to the contrary, no Holder who is a Director or an "executive officer" of the Company within the meaning of Section 13(k) of the Exchange Act shall be permitted to make payment with respect to any Awards granted under the Plan, or continue any extension of credit with respect to such payment, with a loan from the Company or a loan arranged by the Company in violation of Section 13(k) of the Exchange Act.

10.2 Tax Withholding. The Company or any Subsidiary shall have the authority and the right to deduct or withhold, or require a Holder to remit to the Company, an amount sufficient to satisfy federal, state, local and foreign taxes (including the Holder's FICA, employment tax or other social security contribution obligation) required by law to be withheld with respect to any taxable event concerning a Holder arising as a result of the Plan. The Administrator, in its discretion and in satisfaction of the foregoing requirement, may withhold, or allow a Holder to elect to have the Company withhold, Shares otherwise issuable under an Award (or allow the surrender of Shares). Unless otherwise determined by the Administrator, the number of Shares which may be so withheld or surrendered shall be limited to the number of Shares which have a Fair Market Value on the date of withholding or repurchase equal to the aggregate amount of such liabilities based on the minimum statutory withholding rates for

federal, state, local and foreign income tax and payroll tax purposes that are applicable to such supplemental taxable income. The Administrator shall determine the fair market value of the Shares, consistent with applicable provisions of the Code, for tax withholding obligations due in connection with a broker-assisted cashless Option or Stock Appreciation Right exercise involving the sale of Shares to pay the Option or Stock Appreciation Right exercise price or any tax withholding obligation.

10.3 Transferability of Awards.

(a) Except as otherwise provided in Section 10.3(b):

(i) No Award under the Plan may be sold, pledged, assigned or transferred in any manner other than by will or the laws of descent and distribution or, subject to the consent of the Administrator, pursuant to a DRO, unless and until such Award has been exercised, or the Shares underlying such Award have been issued, and all restrictions applicable to such Shares have lapsed;

(ii) No Award or interest or right therein shall be liable for the debts, contracts or engagements of the Holder or the Holder's successors in interest or shall be subject to disposition by transfer, alienation, anticipation, pledge, hypothecation, encumbrance, assignment or any other means whether such disposition be voluntary or involuntary or by operation of law by judgment, levy, attachment, garnishment or any other legal or equitable proceedings (including bankruptcy), and any attempted disposition thereof shall be null and void and of no effect, except to the extent that such disposition is permitted by Section 10.3(a)(i); and

(iii) During the lifetime of the Holder, only the Holder may exercise an Award (or any portion thereof) granted to such Holder under the Plan, unless it has been disposed of pursuant to a DRO; after the death of the Holder, any exercisable portion of an Award may, prior to the time when such portion becomes unexercisable under the Plan or the Award Agreement, be exercised by the Holder's personal representative or by any person empowered to do so under the deceased Holder's will or under the then-applicable laws of descent and distribution.

(b) Notwithstanding Section 10.3(a), the Administrator, in its discretion, may determine to permit a Holder to transfer an Award other than an Incentive Stock Option to any one or more Permitted Transferees, subject to the following terms and conditions: (i) an Award transferred to a Permitted Transferee shall not be assignable or transferable by the Permitted Transferee other than by will or the laws of descent and distribution; (ii) an Award transferred to a Permitted Transferee shall continue to be subject to all the terms and conditions of the Award as applicable to the original Holder (other than the ability to further transfer the Award); and (iii) the Holder and the Permitted Transferee shall execute any and all documents requested by the Administrator, including, without limitation documents to (A) confirm the status of the transferee as a Permitted Transferee, (B) satisfy any requirements for an exemption for the transfer under Applicable Law and (C) evidence the transfer.

(c) Notwithstanding Section 10.3(a), a Holder may, in the manner determined by the Administrator, designate a beneficiary to exercise the rights of the Holder and to receive

any distribution with respect to any Award upon the Holder's death. A beneficiary, legal guardian, legal representative, or other person claiming any rights pursuant to the Plan is subject to all terms and conditions of the Plan and any Award Agreement applicable to the Holder, except to the extent the Plan and Award Agreement otherwise provide, and to any additional restrictions deemed necessary or appropriate by the Administrator. If the Holder is married or a domestic partner in a domestic partnership qualified under Applicable Law and resides in a community property state, a designation of a person other than the Holder's spouse or domestic partner, as applicable, as the Holder's beneficiary with respect to more than 50% of the Holder's interest in the Award shall not be effective without the prior written or electronic consent of the Holder's spouse or domestic partner. If no beneficiary has been designated or survives the Holder, payment shall be made to the person entitled thereto pursuant to the Holder's will or the laws of descent and distribution. Subject to the foregoing, a beneficiary designation may be changed or revoked by a Holder at any time; provided that the change or revocation is filed with the Administrator prior to the Holder's death.

10.4 Conditions to Issuance of Shares.

(a) Notwithstanding anything herein to the contrary, the Company shall not be required to issue or deliver any certificates or make any book entries evidencing Shares issuable pursuant to any Award, unless and until the Board or the Committee has determined, with advice of counsel, that the issuance of such Shares is in compliance with Applicable Law and the Shares are covered by an effective registration statement or applicable exemption from registration. In addition to the terms and conditions provided herein, the Board or the Committee may require that a Holder make such reasonable covenants, agreements and representations as the Board or the Committee, in its discretion, deems advisable in order to comply with Applicable Law.

(b) All Share certificates delivered pursuant to the Plan and all Shares issued pursuant to book entry procedures are subject to any stop-transfer orders and other restrictions as the Administrator deems necessary or advisable to comply with Applicable Law. The Administrator may place legends on any Share certificate or book entry to reference restrictions applicable to the Shares.

(c) The Administrator shall have the right to require any Holder to comply with any timing or other restrictions with respect to the settlement, distribution or exercise of any Award, including a window-period limitation, as may be imposed in the discretion of the Administrator.

(d) No fractional Shares shall be issued and the Administrator, in its discretion, shall determine whether cash shall be given in lieu of fractional Shares or whether such fractional Shares shall be eliminated by rounding down.

(e) Notwithstanding any other provision of the Plan, unless otherwise determined by the Administrator or required by Applicable Law, the Company shall not deliver to any Holder certificates evidencing Shares issued in connection with any Award and instead such Shares shall be recorded in the books of the Company (or, as applicable, its transfer agent or stock plan administrator).

10.5 Forfeiture and Claw-Back Provisions. Pursuant to its general authority to determine the terms and conditions applicable to Awards under the Plan, the Administrator shall have the right to provide, in an Award Agreement or otherwise, or to require a Holder to agree by separate written or electronic instrument, that:

(a) (i) Any proceeds, gains or other economic benefit actually or constructively received by the Holder upon any receipt or exercise of the Award, or upon the receipt or resale of any Shares underlying the Award, shall be paid to the Company, and (ii) the Award shall terminate and any unexercised portion of the Award (whether or not vested) shall be forfeited, if (x) a Termination of Service occurs prior to a specified date, or within a specified time period following receipt or exercise of the Award, or (y) the Holder at any time, or during a specified time period, engages in any activity in competition with the Company, or which is inimical, contrary or harmful to the interests of the Company, as further defined by the Administrator or (z) the Holder incurs a Termination of Service for "cause" (as such term is defined in the discretion of the Administrator, or as set forth in a written agreement relating to such Award between the Company and the Holder); and

(b) All Awards (including any proceeds, gains or other economic benefit actually or constructively received by the Holder upon any receipt or exercise of any Award or upon the receipt or resale of any Shares underlying the Award) shall be subject to the provisions of any claw-back policy implemented by the Company, including, without limitation, any claw-back policy adopted to comply with the Dodd-Frank Wall Street Reform and Consumer Protection Act and any rules or regulations promulgated thereunder, to the extent set forth in such claw-back policy and/or in the applicable Award Agreement.

10.6 Repricing. Subject to Section 12.2, the Administrator shall have the authority, without the approval of the stockholders of the Company, to amend any outstanding Option or Stock Appreciation Right to reduce its price per share or cancel any Option or Stock Appreciation Right in exchange for cash or another Award when the Option or Stock Appreciation Right price per share exceeds the Fair Market Value of the underlying Shares.

ARTICLE 11.

ADMINISTRATION

11.1 Administrator. The Committee (or another committee or a subcommittee of the Board assuming the functions of the Committee under the Plan) shall administer the Plan (except as otherwise permitted herein) and, unless otherwise determined by the Board, shall consist solely of two or more Non-Employee Directors appointed by and holding office at the pleasure of the Board, each of whom is intended to qualify as both a "non-employee director" as defined by Rule 16b-3 of the Exchange Act or any successor rule and an "independent director" under the rules of any securities exchange or automated quotation system on which the Shares are listed, quoted or traded. Notwithstanding the foregoing, any action taken by the Committee shall be valid and effective, whether or not members of the Committee at the time of such action are later determined not to have satisfied the requirements for membership set forth in this Section 11.1 or otherwise provided in any charter of the Committee. Except as may otherwise be provided in any charter of the Committee, appointment of Committee members shall be effective

upon acceptance of appointment. Committee members may resign at any time by delivering written or electronic notice to the Board. Vacancies in the Committee may only be filled by the Board. Notwithstanding the foregoing, (a) the full Board, acting by a majority of its members in office, shall conduct the general administration of the Plan with respect to Awards granted to Non-Employee Directors and, with respect to such Awards, the terms "Administrator" and "Committee" as used in the Plan shall be deemed to refer to the Board and (b) the Board or Committee may delegate its authority hereunder to the extent permitted by Section 11.6.

11.2 Duties and Powers of Committee. It shall be the duty of the Committee to conduct the general administration of the Plan in accordance with its provisions. The Committee shall have the power to interpret the Plan and Award Agreements, and to adopt such rules for the administration, interpretation and application of the Plan as are not inconsistent therewith, to interpret, amend or revoke any such rules and to amend any Award Agreement; provided that the rights or obligations of the Holder of the Award that is the subject of any such Award Agreement are not affected adversely by such amendment, unless the consent of the Holder is obtained or such amendment is otherwise permitted under Section 10.5 or Section 12.10. Any such grant or award under the Plan need not be the same with respect to each Holder. Any such interpretations and rules with respect to Incentive Stock Options shall be consistent with the provisions of Section 422 of the Code. In its discretion, the Board may at any time and from time to time exercise any and all rights and duties of the Committee under the Plan except with respect to matters which under Rule 16b-3 under the Exchange Act or any successor rule, or any regulations or rules issued thereunder, or the rules of any securities exchange or automated quotation system on which the Shares are listed, quoted or traded are required to be determined in the discretion of the Committee.

11.3 Action by the Committee. Unless otherwise established by the Board or in any charter of the Committee, a majority of the Committee shall constitute a quorum and the acts of a majority of the members present at any meeting at which a quorum is present, and acts approved in writing by all members of the Committee in lieu of a meeting, shall be deemed the acts of the Committee. Each member of the Committee is entitled to, in good faith, rely or act upon any report or other information furnished to that member by any officer or other employee of the Company or any Subsidiary, the Company's independent certified public accountants, or any executive compensation consultant or other professional retained by the Company to assist in the administration of the Plan.

11.4 Authority of Administrator. Subject to the Company's Bylaws, the Committee's Charter and any specific designation in the Plan, the Administrator has the exclusive power, authority and sole discretion to:

(a) Designate Eligible Individuals to receive Awards;

(b) Determine the type or types of Awards to be granted to Eligible Individuals;

(c) Determine the number of Awards to be granted and the number of Shares to which an Award will relate;

(d) Determine the terms and conditions of any Award granted pursuant to the Plan, including, but not limited to, the exercise price, grant price, purchase price, any Performance Goals or Performance Criteria, any reload provision, any restrictions or limitations on the Award, any schedule for vesting, lapse of forfeiture restrictions or restrictions on the exercisability of an Award, and accelerations or waivers thereof, and any provisions related to non-competition and recapture of gain on an Award, based in each case on such considerations as the Administrator in its sole discretion determines;

(e) Determine whether, to what extent, and pursuant to what circumstances an Award may be settled in, or the exercise price of an Award may be paid in cash, Shares, other Awards, or other property, or an Award may be canceled, forfeited, or surrendered;

(f) Prescribe the form of each Award Agreement, which need not be identical for each Holder;

(g) Decide all other matters that must be determined in connection with an Award;

(h) Establish, adopt or revise any rules and regulations as it may deem necessary or advisable to administer the Plan;

(i) Interpret the terms of, and any matter arising pursuant to, the Plan or any Award Agreement;

(j) Make all other decisions and determinations that may be required pursuant to the Plan or as the Administrator deems necessary or advisable to administer the Plan; and

(k) Accelerate wholly or partially the vesting or lapse of restrictions of any Award or portion thereof at any time after the grant of an Award, subject to whatever terms and conditions it selects.

11.5 Decisions Binding. The Administrator's interpretation of the Plan, any Awards granted pursuant to the Plan, and any Award Agreement and all decisions and determinations by the Administrator with respect to the Plan are final, binding and conclusive on all parties.

11.6 Delegation of Authority. To the extent permitted by Applicable Law, the Board or Committee may from time to time delegate to a committee of one or more members of the Board or one or more officers of the Company the authority to grant or amend Awards or to take other administrative actions pursuant to this Article 11; provided, however, that in no event shall an officer of the Company be delegated the authority to grant awards to, or amend awards held by, the following individuals: (a) individuals who are subject to Section 16 of the Exchange Act or (b) officers of the Company (or Directors) to whom authority to grant or amend Awards has been delegated hereunder; provided, further, that any delegation of administrative authority shall only be permitted to the extent it is permissible under Applicable Law. Any delegation hereunder shall be subject to the restrictions and limits that the Board or Committee specifies at the time of such delegation, and the Board may at any time rescind the authority so delegated or appoint a new delegatee. At all times, the delegatee appointed under this Section 11.6 shall serve in such capacity at the pleasure of the Board and the Committee.

ARTICLE 12.

MISCELLANEOUS PROVISIONS

12.1 Amendment, Suspension or Termination of the Plan. Except as otherwise provided in this Section 12.1, the Plan may be wholly or partially amended or otherwise modified, suspended or terminated at any time or from time to time by the Board or the Committee. However, without approval of the Company's stockholders given within twelve (12) months before or after the action by the Administrator, no action of the Administrator may, except as provided in Section 12.2, increase the limits imposed in Section 3.1 on the maximum number of Shares which may be issued under the Plan. Except as provided in Section 12.10, no amendment, suspension or termination of the Plan shall, without the consent of the Holder, impair any rights or obligations under any Award theretofore granted or awarded, unless the Award itself otherwise expressly so provides. No Awards may be granted or awarded during any period of suspension or after termination of the Plan, and in no event may any Award be granted under the Plan after the tenth (10^{th}) anniversary of the date the Plan is first adopted by the Board (the "Expiration Date"). Any Awards that are outstanding on the Expiration Date shall remain in force according to the terms of the Plan and the applicable Award Agreement.

12.2 Changes in Common Stock or Assets of the Company, Acquisition or Liquidation of the Company and Other Corporate Events.

(a) In connection with the occurrence of any Equity Restructuring, and notwithstanding anything to the contrary in this Section 12.2, the Administrator shall equitably adjust each outstanding Award, which adjustments may include adjustments to the number and type of securities subject to each outstanding Award and/or the exercise price or grant price thereof, if applicable, the grant of new Awards to Participants, and/or the making of a cash payment to Participants, as the Administrator deems appropriate to reflect such Equity Restructuring. The adjustments provided under this Section 12.2(a) shall be nondiscretionary and shall be final and binding on the affected Holder and the Company; provided that whether an adjustment is equitable shall be determined in the discretion of the Administrator.

(b) In the event that the Administrator determines that any dividend or other distribution (whether in the form of cash, Common Stock, other securities, or other property), Change in Control, reorganization, merger, amalgamation, consolidation, combination, repurchase, recapitalization, liquidation, dissolution, or sale, transfer, exchange or other disposition of all or substantially all of the assets of the Company, or sale or exchange of Common Stock or other securities of the Company, issuance of warrants or other rights to purchase Common Stock or other securities of the Company, or other similar corporate transaction or event, as determined by the Administrator, affects the Common Stock such that an adjustment is determined by the Administrator to be appropriate in order to prevent dilution or enlargement of the benefits or potential benefits intended by the Company to be made available under the Plan or with respect to any Award, the Administrator may make equitable adjustments, if any, to reflect such change with respect to: (i) the aggregate number and kind of shares that may be issued under the Plan (including, but not limited to, adjustments of the limitations in Sections 3.1 and 3.3 on the maximum number and kind of shares which may be issued under the Plan); (ii) the number and kind of Shares (or other securities or property) subject to outstanding

Awards; (iii) the number and kind of Shares (or other securities or property) for which automatic grants are subsequently to be made to new and continuing Non-Employee Directors pursuant to Section 4.5; (iv) the terms and conditions of any outstanding Awards (including, without limitation, any applicable performance targets or criteria with respect thereto); and (v) the grant or exercise price per share for any outstanding Awards under the Plan.

(c) In the event of any transaction or event described in Section 12.2(b) or any unusual or nonrecurring transactions or events affecting the Company, any Subsidiary of the Company, or the financial statements of the Company or any Subsidiary, or of changes in Applicable Law or accounting principles, the Administrator, in its discretion, and on such terms and conditions as it deems appropriate, either by the terms of the Award or by action taken prior to the occurrence of such transaction or event and either automatically or upon the Holder's request, is hereby authorized to take any one or more of the following actions whenever the Administrator determines that such action is appropriate in order to prevent dilution or enlargement of the benefits or potential benefits intended to be made available under the Plan or with respect to any Award under the Plan, to facilitate such transactions or events or to give effect to such changes in laws, regulations or principles:

(i) To provide for either (A) termination of any such Award in exchange for an amount of cash, if any, equal to the amount that would have been attained upon the exercise of such Award or realization of the Holder's rights (and, for the avoidance of doubt, if as of the date of the occurrence of the transaction or event described in this Section 12.2 the Administrator determines in good faith that no amount would have been attained upon the exercise of such Award or realization of the Holder's rights, then such Award may be terminated by the Company without payment) or (B) the replacement of such Award with other rights or property selected by the Administrator, in its discretion, having an aggregate value not exceeding the amount that could have been attained upon the exercise of such Award or realization of the Holder's rights had such Award been currently exercisable or payable or fully vested;

(ii) To provide that such Award be assumed by the successor or survivor corporation, or a parent or subsidiary thereof, or shall be substituted for by similar options, rights or awards covering the stock of the successor or survivor corporation, or a parent or subsidiary thereof, with appropriate adjustments as to the number and kind of shares and prices;

(iii) To make adjustments in the number and type of shares of the Company's stock (or other securities or property) subject to outstanding Awards, and in the number and kind of outstanding Restricted Stock and/or in the terms and conditions of (including the grant or exercise price), and the criteria included in, outstanding Awards and Awards which may be granted in the future;

(iv) To provide that such Award shall be exercisable or payable or fully vested with respect to all shares covered thereby, notwithstanding anything to the contrary in the Plan or the applicable Award Agreement; and

(v) To provide that the Award will terminate and cannot vest, be exercised or become payable after such event.

(d) The Administrator, in its discretion, may include such further provisions and limitations in any Award, agreement or certificate, as it may deem equitable and in the best interests of the Company that are not inconsistent with the provisions of the Plan.

(e) No adjustment or action described in this Section 12.2 or in any other provision of the Plan shall be authorized to the extent that such adjustment or action would cause the Plan to violate Section 422(b)(1) of the Code. Furthermore, no such adjustment or action shall be authorized to the extent such adjustment or action would result in short-swing profits liability under Section 16 or violate the exemptive conditions of Rule 16b-3 unless the Administrator determines that the Award is not to comply with such exemptive conditions.

(f) The existence of the Plan, the Award Agreement and the Awards granted hereunder shall not affect or restrict in any way the right or power of the Company or the stockholders of the Company to make or authorize any adjustment, recapitalization, reorganization or other change in the Company's capital structure or its business, any merger or consolidation of the Company, any issue of stock or of options, warrants or rights to purchase stock or of bonds, debentures, preferred or prior preference stocks whose rights are superior to or affect the Common Stock or the rights thereof or which are convertible into or exchangeable for Common Stock, or the dissolution or liquidation of the Company, or any sale or transfer of all or any part of its assets or business, or any other corporate act or proceeding, whether of a similar character or otherwise.

(g) No action shall be taken under this Section 12.2 which shall cause an Award to fail to comply with Section 409A of the Code, to the extent applicable.

(h) In the event of any pending stock dividend, stock split, combination or exchange of shares, merger, consolidation or other distribution (other than normal cash dividends) of Company assets to stockholders, or any other change affecting the Shares or the share price of the Common Stock including any Equity Restructuring, for reasons of administrative convenience, the Company, in its discretion, may refuse to permit the exercise of any Award during a period of up to thirty (30) days prior to the consummation of any such transaction.

12.3 Approval of Plan by Stockholders. The Plan shall be submitted for the approval of the Company's stockholders within twelve (12) months after the date of the Board's initial adoption of the Plan.

12.4 No Stockholders Rights. Except as otherwise provided herein, a Holder shall have none of the rights of a stockholder with respect to Shares covered by any Award until the Holder becomes the record owner of such Shares.

12.5 Paperless Administration. In the event that the Company establishes, for itself or using the services of a third party, an automated system for the documentation, granting or exercise of Awards, such as a system using an internet website or interactive voice response, then the paperless documentation, granting or exercise of Awards by a Holder may be permitted through the use of such an automated system.

12.6 Effect of Plan upon Other Compensation Plans. The adoption of the Plan shall not affect any other compensation or incentive plans in effect for the Company or any Subsidiary. Nothing in the Plan shall be construed to limit the right of the Company or any Subsidiary: (a) to establish any other forms of incentives or compensation for Employees, Directors or Consultants of the Company or any Subsidiary, or (b) except as otherwise provided in the penultimate sentence of Section 3.1(a), to grant or assume options or other rights or awards otherwise than under the Plan in connection with any proper corporate purpose including without limitation, the grant or assumption of options in connection with the acquisition by purchase, lease, merger, consolidation or otherwise, of the business, stock or assets of any corporation, partnership, limited liability company, firm or association.

12.7 Compliance with Laws. The Plan, the granting and vesting of Awards under the Plan and the issuance and delivery of Shares and the payment of money under the Plan or under Awards granted or awarded hereunder are subject to compliance with all Applicable Law (including but not limited to state, federal and foreign securities law and margin requirements), and to such approvals by any listing, regulatory or governmental authority as may, in the opinion of counsel for the Company, be necessary or advisable in connection therewith. Any securities delivered under the Plan shall be subject to such restrictions, and the person acquiring such securities shall, if requested by the Company, provide such assurances and representations to the Company as the Company may deem necessary or desirable to assure compliance with all Applicable Law. To the extent permitted by Applicable Law, the Plan and Awards granted or awarded hereunder shall be deemed amended to the extent necessary to conform to Applicable Law.

12.8 Titles and Headings, References to Sections of the Code or Exchange Act. The titles and headings of the Sections in the Plan are for convenience of reference only and, in the event of any conflict, the text of the Plan, rather than such titles or headings, shall control. References to sections of the Code or the Exchange Act shall include any amendment or successor thereto.

12.9 Governing Law. The Plan and any agreements hereunder shall be administered, interpreted and enforced under the internal laws of the State of Delaware without regard to conflicts of laws thereof or of any other jurisdiction.

12.10 Section 409A. To the extent that the Administrator determines that any Award granted under the Plan is subject to Section 409A of the Code, the Award Agreement evidencing such Award shall incorporate the terms and conditions required by Section 409A of the Code. To the extent applicable, the Plan and any Award Agreements shall be interpreted in accordance with Section 409A of the Code, including without limitation any such regulations or other guidance that may be issued after the Effective Date. Notwithstanding any provision of the Plan to the contrary, in the event that following the Effective Date the Administrator determines that any Award may be subject to Section 409A of the Code (including Department of Treasury guidance as may be issued after the Effective Date), the Administrator may adopt such amendments to the Plan and the applicable Award Agreement or adopt other policies and procedures (including amendments, policies and procedures with retroactive effect), or take any other actions, that the Administrator determines are necessary or appropriate to (a) exempt the Award from Section 409A of the Code and/or preserve the intended tax treatment of the benefits

provided with respect to the Award, or (b) comply with the requirements of Section 409A of the Code and thereby avoid the application of any penalty taxes under such Section.

12.11 No Rights to Awards. No Eligible Individual or other person shall have any claim to be granted any Award pursuant to the Plan, and neither the Company nor the Administrator is obligated to treat Eligible Individuals, Holders or any other persons or Awards (or portions thereof) uniformly.

12.12 Unfunded Status of Awards. The Plan is intended to be an "unfunded" plan for incentive compensation. With respect to any payments not yet made to a Holder pursuant to an Award, nothing contained in the Plan or any Award Agreement shall give the Holder any rights that are greater than those of a general creditor of the Company or any Subsidiary.

12.13 Indemnification. To the extent allowable pursuant to Applicable Law, each member of the Committee or of the Board shall be indemnified and held harmless by the Company from any loss, cost, liability, or expense that may be imposed upon or reasonably incurred by such member in connection with or resulting from any claim, action, suit, or proceeding to which he or she may be a party or in which he or she may be involved by reason of any action or failure to act pursuant to the Plan and against and from any and all amounts paid by him or her in satisfaction of judgment in such action, suit, or proceeding against him or her; provided he or she gives the Company an opportunity, at its own expense, to handle and defend the same before he or she undertakes to handle and defend it on his or her own behalf. The foregoing right of indemnification shall not be exclusive of any other rights of indemnification to which such persons may be entitled pursuant to the Company's Certificate of Incorporation or Bylaws, as a matter of law, or otherwise, or any power that the Company may have to indemnify them or hold them harmless.

12.14 Relationship to other Benefits. No payment pursuant to the Plan shall be taken into account in determining any benefits under any pension, retirement, savings, profit sharing, group insurance, welfare or other benefit plan of the Company or any Subsidiary except to the extent otherwise expressly provided in writing in such other plan or an agreement thereunder.

12.15 Expenses. The expenses of administering the Plan shall be borne by the Company and its Subsidiaries.

* * * * *

T2 BIOSYSTEMS, INC.
2014 INCENTIVE AWARD PLAN

STOCK OPTION GRANT NOTICE

T2 Biosystems, Inc., a Delaware corporation, (the "Company"), pursuant to its 2014 Incentive Award Plan, as amended from time to time (the "Plan"), hereby grants to the holder listed below ("Participant"), an option to purchase the number of shares of Common Stock ("Stock") set forth below (the "Option"). The Option is subject to the terms and conditions set forth in this Stock Option Grant Notice (the "Grant Notice") and the Stock Option Agreement attached hereto as Exhibit A (the "Agreement") and the Plan, which are incorporated herein by reference. Unless otherwise defined herein, the terms defined in the Plan shall have the same defined meanings in the Grant Notice and the Agreement.

Participant:	
Grant Date:	
Exercise Price per Share:	$
Total Exercise Price:	$
Total Number of Shares Subject to the Option:	shares
Expiration Date:	
Vesting Schedule:	[To be specified in individual agreements]
Type of Option:	o Incentive Stock Option o Non-Qualified Stock Option

By Participant's signature below, Participant agrees to be bound by the terms and conditions of the Plan, the Agreement and the Grant Notice. Participant has reviewed the Agreement, the Plan and the Grant Notice in their entirety, has had an opportunity to obtain the advice of counsel prior to executing the Grant Notice and fully understands all provisions of the Grant Notice, the Agreement and the Plan. Participant hereby agrees to accept as binding, conclusive and final all decisions or interpretations of the Administrator upon any questions arising under the Plan, the Grant Notice or the Agreement.

T2 BIOSYSTEMS, INC.	**PARTICIPANT**
By: _____	By: _____
Print Name: _____	Print Name: _____
Title: _____	

EXHIBIT A
TO STOCK OPTION GRANT NOTICE

STOCK OPTION AGREEMENT

Pursuant to the Grant Notice to which this Agreement is attached, the Company has granted to Participant an Option under the Plan to purchase the number of shares of Stock set forth in the Grant Notice.

ARTICLE 1.

GENERAL

1.1 Defined Terms. Capitalized terms not specifically defined herein shall have the meanings specified in the Plan or the Grant Notice.

1.2 Incorporation of Terms of Plan. The Option is subject to the terms and conditions set forth in this Agreement and the Plan, which is incorporated herein by reference. In the event of any inconsistency between the Plan and this Agreement, the terms of the Plan shall control.

ARTICLE 2.

GRANT OF OPTION

2.1 Grant of Option. In consideration of Participant's past and/or continued employment with or service to the Company or a Subsidiary and for other good and valuable consideration, effective as of the grant date set forth in the Grant Notice (the "Grant Date"), the Company has granted to Participant the Option to purchase any part or all of an aggregate of the number of shares of Stock set forth in the Grant Notice, upon the terms and conditions set forth in the Grant Notice, the Plan and this Agreement, subject to adjustments as provided in Section 12.2 of the Plan.

2.2 Exercise Price. The exercise price per share of the shares of Stock subject to the Option (the "Exercise Price") shall be as set forth in the Grant Notice.

2.3 Consideration to the Company. In consideration of the grant of the Option by the Company, Participant agrees to render faithful and efficient services to the Company or any Subsidiary. Nothing in the Plan, the Grant Notice or this Agreement shall confer upon Participant any right to continue in the employ or service of the Company or any Subsidiary or shall interfere with or restrict in any way the rights of the Company and its Subsidiaries, which rights are hereby expressly reserved, to discharge or terminate the services of Participant at any time for any reason whatsoever, with or without cause, except to the extent expressly provided otherwise in a written agreement between the Company or a Subsidiary and Participant.

ARTICLE 3.

PERIOD OF EXERCISABILITY

3.1 Commencement of Exercisability.

(a) Subject to Sections 3.2, 3.3, 5.9 and 5.14 hereof, the Option shall become vested and exercisable in such amounts and at such times as are set forth in the Grant Notice.

(b) Unless otherwise determined by the Administrator, any portion of the Option that has not become vested and exercisable on or prior to the date of the Participant's Termination of Service shall be forfeited on the date of the Participant's Termination of Service and shall not thereafter become vested or exercisable.

3.2 Duration of Exercisability. The installments provided for in the vesting schedule set forth in the Grant Notice are cumulative. Each such installment which becomes vested and exercisable pursuant to the vesting schedule set forth in the Grant Notice shall remain vested and exercisable until it becomes unexercisable under Section 3.3 hereof. Once the Option becomes unexercisable, it shall be forfeited immediately.

3.3 Expiration of Option. The Option may not be exercised to any extent by anyone after the first to occur of the following events:

(a) The expiration date set forth in the Grant Notice;

(b) Except as the Administrator may otherwise approve, in the event of Participant's Termination of Service other than for Cause or by reason of Participant's death or disability, the expiration of three (3) months from the date of Participant's Termination of Service;

(c) Except as the Administrator may otherwise approve, the expiration of one (1) year from the date of Participant's Termination of Service by reason of Participant's death or disability; or

(d) Except as the Administrator may otherwise approve, upon Participant's Termination of Service for Cause.

As used in this Agreement, "Cause" shall mean (a) the Board's determination that Participant failed to substantially perform Participant's duties (other than any such failure resulting from Participant's disability); (b) the Board's determination that Participant failed to carry out, or comply with any lawful and reasonable directive of the Board or Participant's immediate supervisor; (c) Participant's conviction, plea of no contest, plea of nolo contendere, or imposition of unadjudicated probation for any felony, indictable offense or crime involving moral turpitude; (d) Participant's unlawful use (including being under the influence) or possession of illegal drugs on the premises of the Company or any of its Subsidiaries or while performing Participant's duties and responsibilities; or (e) Participant's commission of an act of fraud, embezzlement, misappropriation, misconduct, or breach of fiduciary duty against the Company of any of its Subsidiaries. Notwithstanding the foregoing, if Participant is a party to a written employment or consulting agreement with the Company (or its Subsidiary) in which the term "cause" is defined, then "Cause" shall be as such term is defined in the applicable written employment or consulting agreement.

3.4 Tax Withholding. Notwithstanding any other provision of this Agreement:

(a) The Company and its Subsidiaries have the authority to deduct or withhold, or require Participant to remit to the Company or the applicable Subsidiary, an amount sufficient to satisfy applicable federal, state, local and foreign taxes (including the employee portion of any FICA obligation) required by law to be withheld with respect to any taxable event arising pursuant to this Agreement. The Company and its Subsidiaries may withhold or Participant may make such payment in one or more of the forms specified below:

(i) by cash or check made payable to the Company or the Subsidiary with respect to which the withholding obligation arises;

(ii) by the deduction of such amount from other compensation payable to Participant;

(iii) with respect to any withholding taxes arising in connection with the exercise of the Option, with the consent of the Administrator, by requesting that the Company withhold a net number of shares of Stock issuable upon the exercise of the Option having a then current Fair Market Value not exceeding the amount necessary to satisfy the withholding obligation of the Company and its Subsidiaries based on the minimum applicable statutory withholding rates for federal, state, local and foreign income tax and payroll tax purposes;

(iv) with respect to any withholding taxes arising in connection with the exercise of the Option, with the consent of the Administrator, by tendering to the Company shares of Stock having a then current Fair Market Value not exceeding the amount necessary to satisfy the withholding obligation of the Company and its Subsidiaries based on the minimum applicable statutory withholding rates for federal, state, local and foreign income tax and payroll tax purposes;

(v) with respect to any withholding taxes arising in connection with the exercise of the Option, through the delivery of a notice that Participant has placed a market sell order with a broker acceptable to the Company with respect to shares of Stock then issuable upon exercise of the Option, and that the broker has been directed to pay a sufficient portion of the net proceeds of the sale to the Company or the Subsidiary with respect to which the withholding obligation arises in satisfaction of such withholding taxes; *provided* that payment of such proceeds is then made to the Company or the applicable Subsidiary at such time as may be required by the Administrator, but in any event not later than the settlement of such sale; or

(vi) in any combination of the foregoing.

(b) With respect to any withholding taxes arising in connection with the Option, in the event Participant fails to provide timely payment of all sums required pursuant to Section 3.4(a), the Company shall have the right and option, but not the obligation, to treat such failure as an election by Participant to satisfy all or any portion of Participant's required payment obligation pursuant to Section 3.4(a)(ii) or Section 3.4(a)(iii) above, or any combination of the foregoing as the Company may determine to be appropriate. The Company shall not be obligated to deliver any certificate representing shares of Stock issuable with respect to the exercise of the Option to Participant or his or her legal representative unless and until Participant or his or her legal representative shall have paid or otherwise satisfied in full the amount of all federal, state, local and foreign taxes applicable with respect to the taxable income of Participant resulting from the exercise of the Option or any other taxable event related to the Option.

(c) In the event any tax withholding obligation arising in connection with the Option will be satisfied under Section 3.4(a)(iii) above, then the Company may elect to instruct any brokerage firm determined acceptable to the Company for such purpose to sell on Participant's behalf a whole number of shares from those shares of Stock that are issuable upon exercise of the Option as the Company determines to be appropriate to generate cash proceeds sufficient to satisfy the tax withholding obligation and to remit the proceeds of such sale to the Company or the Subsidiary with respect to which the withholding obligation arises. Participant's acceptance of this Award constitutes Participant's instruction and authorization to the Company and such brokerage firm to complete the transactions described in this Section 3.4(c), including the transactions described in the previous sentence, as applicable. The Company may refuse to issue any shares of Stock to Participant until the foregoing tax withholding obligations are satisfied.

(d) Participant is ultimately liable and responsible for all taxes owed in connection with the Option, regardless of any action the Company or any Subsidiary takes with respect to any tax withholding obligations that arise in connection with the Option. Neither the Company nor any Subsidiary makes any representation or undertaking regarding the treatment of any tax withholding in connection with the awarding, vesting or exercise of the Option or the subsequent sale of Stock. The Company and the Subsidiaries do not commit and are under no obligation to structure the Option to reduce or eliminate Participant's tax liability.

ARTICLE 4.

EXERCISE OF OPTION

4.1 Person Eligible to Exercise. During the lifetime of Participant, only Participant may exercise the Option or any portion thereof. After the death of Participant, any exercisable portion of the Option may, prior to the time when the Option becomes unexercisable under Section 3.3 hereof, be exercised by Participant's personal representative or by any person empowered to do so under the deceased Participant's will or under the then applicable laws of descent and distribution.

4.2 Partial Exercise. Subject to Section 5.2, any exercisable portion of the Option or the entire Option, if then wholly exercisable, may be exercised in whole or in part at any time prior to the time when the Option or portion thereof becomes unexercisable under Section 3.3 hereof.

4.3 Manner of Exercise. The Option, or any exercisable portion thereof, may be exercised solely by delivery to the Secretary of the Company (or any third party administrator or other person or entity designated by the Company), during regular business hours, of all of the following prior to the time when the Option or such portion thereof becomes unexercisable under Section 3.3 hereof.

(a) An exercise notice in a form specified by the Administrator, stating that the Option or portion thereof is thereby exercised, such notice complying with all applicable rules established by the Administrator;

(b) The receipt by the Company of full payment for the shares of Stock with respect to which the Option or portion thereof is exercised, in such form of consideration permitted under Section 4.4 hereof that is acceptable to the Administrator;

(c) The payment of any applicable withholding tax in accordance with Section 3.4;

(d) Any other written representations or documents as may be required in the Administrator's sole discretion to effect compliance with Applicable Law; and

(e) In the event the Option or portion thereof shall be exercised pursuant to Section 4.1 hereof by any person or persons other than Participant, appropriate proof of the right of such person or persons to exercise the Option.

Notwithstanding any of the foregoing, the Administrator shall have the right to specify all conditions of the manner of exercise, which conditions may vary by country and which may be subject to change from time to time.

4.4 Method of Payment. Payment of the exercise price shall be by any of the following, or a combination thereof, at the election of Participant:

(a) Cash or check;

(b) With the consent of the Administrator, surrender of shares of Stock (including, without limitation, shares of Stock otherwise issuable upon exercise of the Option) held for such period of time as may be required by the Administrator in order to avoid adverse accounting consequences and having a Fair Market Value on the date of delivery equal to the aggregate exercise price of the Option or exercised portion thereof;

(c) Through the delivery of a notice that Participant has placed a market sell order with a broker acceptable to the Company with respect to shares of Stock then issuable upon exercise of the Option, and that the broker has been directed to pay a sufficient portion of the net proceeds of the sale to the Company in satisfaction of the Option exercise price; *provided* that payment of such proceeds is then made to the Company at such time as may be required by the Administrator, but in any event not later than the settlement of such sale; or

(d) Any other form of legal consideration acceptable to the Administrator.

4.5 Conditions to Issuance of Stock. The Company shall not be required to issue or deliver any shares of Stock purchased upon the exercise of the Option or portion thereof prior to fulfillment of all of the following conditions: (A) the admission of such shares of Stock to listing on all stock exchanges on which such Stock is then listed, (B) the completion of any registration or other qualification of such shares of Stock under any state or federal law or under rulings or regulations of the Securities and Exchange Commission or other governmental regulatory body, which the Administrator shall, in its absolute discretion, deem necessary or advisable, (C) the obtaining of any approval or other clearance from any state or federal governmental agency which the Administrator shall, in its absolute discretion, determine to be necessary or advisable, (D) the receipt by the Company of full payment for such shares of Stock, which may be in one or more of the forms of consideration permitted under Section 4.4 hereof, and (E) the receipt of full payment of any applicable withholding tax in accordance with Section 3.4 by the Company or its Subsidiary with respect to which the applicable withholding obligation arises.

4.6 Rights as Stockholder. Neither Participant nor any person claiming under or through Participant will have any of the rights or privileges of a stockholder of the Company in respect of any shares of Stock purchasable upon the exercise of any part of the Option unless and until certificates representing such shares of Stock (which may be in book-entry form) will have been issued and recorded on the records of the Company or its transfer agents or registrars and delivered to Participant (including through electronic delivery to a brokerage account). No adjustment will be made for a dividend or other right for which the record date is prior to the date of such issuance, recordation and delivery, except as provided in Section 12.2 of the Plan. Except as otherwise provided herein, after such issuance, recordation and delivery, Participant will have all the rights of a stockholder of the Company with respect to such shares of Stock, including, without limitation, the right to receipt of dividends and distributions on such shares.

ARTICLE 5.

OTHER PROVISIONS

5.1 Administration. The Administrator shall have the power to interpret the Plan, the Grant Notice and this Agreement and to adopt such rules for the administration, interpretation and application of the Plan, the Grant Notice and this Agreement as are consistent therewith and to interpret, amend or revoke any such rules. All actions taken and all interpretations and determinations made by the Administrator will be final and binding upon Participant, the Company and all other interested persons.

To the extent allowable pursuant to Applicable Law, no member of the Committee or the Board will be personally liable for any action, determination or interpretation made with respect to the Plan, the Grant Notice or this Agreement.

5.2 Whole Shares. The Option may only be exercised for whole shares of Stock.

5.3 Option Not Transferable. Subject to Section 4.1 hereof, the Option may not be sold, pledged, assigned or transferred in any manner other than by will or the laws of descent and distribution, unless and until the shares of Stock underlying the Option have been issued, and all restrictions applicable to such shares of Stock have lapsed. Neither the Option nor any interest or right therein or part thereof shall be liable for the debts, contracts or engagements of Participant or his or her successors in interest or shall be subject to disposition by transfer, alienation, anticipation, pledge, encumbrance, assignment or any other means whether such disposition be voluntary or involuntary or by operation of law by judgment, levy, attachment, garnishment or any other legal or equitable proceedings (including bankruptcy), and any attempted disposition thereof shall be null and void and of no effect, except to the extent that such disposition is permitted by the preceding sentence.

5.4 Adjustments. The Administrator may accelerate the vesting of all or a portion of the Option in such circumstances as it, in its sole discretion, may determine. In addition, upon the occurrence of certain events relating to the Stock contemplated by Section 12.2 of the Plan (including, without limitation, an extraordinary cash dividend on such Stock), the Administrator may make such adjustments as the Administrator deems appropriate in the number of shares of Stock subject to the Option, the exercise price of the Option and the kind of securities that may be issued upon exercise of the Option. Participant acknowledges that the Option is subject to adjustment, modification and termination in certain events as provided in this Agreement and the Plan, including Section 12.2 of the Plan.

5.5 Notices. Any notice to be given under the terms of this Agreement to the Company shall be addressed to the Company in care of the Secretary of the Company at the Company's principal office, and any notice to be given to Participant shall be addressed to Participant (or, if Participant is then deceased, to the person entitled to exercise the Option pursuant to Section 4.1) at Participant's last address reflected on the Company's records. By a notice given pursuant to this Section 5.5, either party may hereafter designate a different address for notices to be given to that party. Any notice shall be deemed duly given when sent via email (if to Participant) or when sent by certified mail (return receipt requested) and deposited (with postage prepaid) in a post office or branch post office regularly maintained by the United States Postal Service.

5.6 Titles. Titles are provided herein for convenience only and are not to serve as a basis for interpretation or construction of this Agreement.

5.7 Governing Law. The laws of the State of Delaware shall govern the interpretation, validity, administration, enforcement and performance of the terms of this Agreement regardless of the law that might be applied under principles of conflicts of laws.

5.8 Conformity to Securities Laws. Participant acknowledges that the Plan, the Grant Notice and this Agreement are intended to conform to the extent necessary with all Applicable Laws, including, without limitation, the provisions of the Securities Act and the Exchange Act and any and all regulations and rules promulgated thereunder by the Securities and Exchange Commission and state securities laws and regulations. Notwithstanding anything herein to the contrary, the Plan shall be administered, and the Option is granted and may be exercised, only in such a manner as to conform to Applicable Law. To the extent permitted by Applicable Law, the Plan and this Agreement shall be deemed amended to the extent necessary to conform to Applicable Law.

5.9 Amendment, Suspension and Termination. To the extent permitted by the Plan, this Agreement may be wholly or partially amended or otherwise modified, suspended or terminated at any time or from time to time by the Administrator or the Board, *provided* that, except as may otherwise be provided by the Plan, no amendment, modification, suspension or termination of this Agreement shall adversely affect the Option in any material way without the prior written consent of Participant.

5.10 Successors and Assigns. The Company may assign any of its rights under this Agreement to single or multiple assignees, and this Agreement shall inure to the benefit of the successors and assigns of the Company. Subject to the restrictions on transfer set forth in Section 5.3 and the Plan, this Agreement shall be binding upon and inure to the benefit of the heirs, legatees, legal representatives, successors and assigns of the parties hereto.

5.11 Limitations Applicable to Section 16 Persons. Notwithstanding any other provision of the Plan or this Agreement, if Participant is subject to Section 16 of the Exchange Act, the Plan, the Option, the Grant Notice and this Agreement shall be subject to any additional limitations set forth in any applicable exemptive rule under Section 16 of the Exchange Act (including any amendment to Rule 16b-3 of the Exchange Act) that are requirements for the application of such exemptive rule. To the extent permitted by Applicable Law, this Agreement shall be deemed amended to the extent necessary to conform to such applicable exemptive rule.

5.12 Not a Contract of Employment. Nothing in this Agreement or in the Plan shall confer upon Participant any right to continue to serve as an employee or other service provider of the Company or any Subsidiary or shall interfere with or restrict in any way the rights of the Company and its Subsidiaries, which rights are hereby expressly reserved, to discharge or terminate the services of Participant at any time for any reason whatsoever, with or without cause, except to the extent expressly provided otherwise in a written agreement between the Company or a Subsidiary and Participant.

5.13 Entire Agreement. The Plan, the Grant Notice and this Agreement (including any exhibit hereto) constitute the entire agreement of the parties and supersede in their entirety all prior undertakings and agreements of the Company and Participant with respect to the subject matter hereof.

5.14 Section 409A. This Award is not intended to constitute "nonqualified deferred compensation" within the meaning of Section 409A of the Code (together with any Department of Treasury regulations and other interpretive guidance issued thereunder, including without limitation any such regulations or other guidance that may be issued after the date hereof, "Section 409A"). However, notwithstanding any other provision of the Plan, the Grant Notice or this Agreement, if at any time the Administrator determines that this Award (or any portion thereof) may be subject to Section 409A, the Administrator shall have the right in its sole discretion (without any obligation to do so or to indemnify Participant or any other person for failure to do so) to adopt such amendments to the Plan, the Grant Notice or this Agreement, or adopt other policies and procedures (including amendments, policies and procedures with retroactive effect), or take any other actions, as the Administrator determines are necessary or appropriate for this Award either to be exempt from the application of Section 409A or to comply with the requirements of Section 409A.

5.15 Agreement Severable. In the event that any provision of the Grant Notice or this Agreement is held invalid or unenforceable, such provision will be severable from, and such invalidity or unenforceability will not be construed to have any effect on, the remaining provisions of the Grant Notice or this Agreement.

5.16 Limitation on Participant's Rights. Participation in the Plan confers no rights or interests other than as herein provided. This Agreement creates only a contractual obligation on the part of the

Company as to amounts payable and shall not be construed as creating a trust. Neither the Plan nor any underlying program, in and of itself, has any assets. Participant shall have only the rights of a general unsecured creditor of the Company with respect to amounts credited and benefits payable, if any, with respect to the Option, and rights no greater than the right to receive the Stock as a general unsecured creditor with respect to options, as and when exercised pursuant to the terms hereof.

5.17 Counterparts. The Grant Notice may be executed in one or more counterparts, including by way of any electronic signature, subject to Applicable Law, each of which shall be deemed an original and all of which together shall constitute one instrument.

5.18 Broker-Assisted Sales. In the event of any broker-assisted sale of shares of Stock in connection with the payment of withholding taxes as provided in Section 3.4(a)(v) or Section 3.4(c) or the payment of the exercise price as provided in Section 4.4(c): (A) any shares of Stock to be sold through a broker-assisted sale will be sold on the day the tax withholding obligation or exercise of the Option, as applicable, occurs or arises, or as soon thereafter as practicable; (B) such shares of Stock may be sold as part of a block trade with other participants in the Plan in which all participants receive an average price; (C) Participant will be responsible for all broker's fees and other costs of sale, and Participant agrees to indemnify and hold the Company harmless from any losses, costs, damages, or expenses relating to any such sale; (D) to the extent the proceeds of such sale exceed the applicable tax withholding obligation or exercise price, the Company agrees to pay such excess in cash to Participant as soon as reasonably practicable; (E) Participant acknowledges that the Company or its designee is under no obligation to arrange for such sale at any particular price, and that the proceeds of any such sale may not be sufficient to satisfy the applicable tax withholding obligation or exercise price; and (F) in the event the proceeds of such sale are insufficient to satisfy the applicable tax withholding obligation, Participant agrees to pay immediately upon demand to the Company or its Subsidiary with respect to which the withholding obligation arises, an amount sufficient to satisfy any remaining portion of the Company's or the applicable Subsidiary's withholding obligation.

5.19 Incentive Stock Options. Participant acknowledges that to the extent the aggregate Fair Market Value of shares of Stock (determined as of the time the option with respect to the shares is granted) with respect to which Incentive Stock Options, including this Option (if applicable), are exercisable for the first time by Participant during any calendar year exceeds $100,000 or if for any other reason such Incentive Stock Options do not qualify or cease to qualify for treatment as "incentive stock options" under Section 422 of the Code, such Incentive Stock Options shall be treated as Non-Qualified Stock Options. Participant further acknowledges that the rule set forth in the preceding sentence shall be applied by taking the Option and other stock options into account in the order in which

they were granted, as determined under Section 422(d) of the Code and the Treasury Regulations thereunder. Participant also acknowledges that an Incentive Stock Option exercised more than three (3) months after Participant's Termination of Service, other than by reason of death or disability, will be taxed as a Non-Qualified Stock Option.

5.20 Notification of Disposition. If this Option is designated as an Incentive Stock Option, Participant shall give prompt written notice to the Company of any disposition or other transfer of any shares of Stock acquired under this Agreement if such disposition or transfer is made (a) within two (2) years from the Grant Date or (b) within one (1) year after the transfer of such shares of Stock to Participant. Such notice shall specify the date of such disposition or other transfer and the amount realized, in cash, other property, assumption of indebtedness or other consideration, by Participant in such disposition or other transfer.

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T2 BIOSYSTEMS, INC.
2014 INCENTIVE AWARD PLAN

RESTRICTED STOCK UNIT GRANT NOTICE

T2 Biosystems, Inc., a Delaware corporation (the "Company"), pursuant to its 2014 Incentive Award Plan, as amended from time to time (the "Plan"), hereby grants to the holder listed below ("Participant") the number of Restricted Stock Units (the "RSUs") set forth below. The RSUs are subject to the terms and conditions set forth in this Restricted Stock Unit Grant Notice (the "Grant Notice") and the Restricted Stock Unit Agreement attached hereto as Exhibit A (the "Agreement") and the Plan, which are incorporated herein by reference. Unless otherwise defined herein, the terms defined in the Plan shall have the same defined meanings in the Grant Notice and the Agreement.

Participant:

Grant Date:

Number of RSUs:

Type of Shares Issuable: Common Stock

Vesting Schedule: [To be specified in individual agreements]

By Participant's signature below, Participant agrees to be bound by the terms and conditions of the Plan, the Agreement and the Grant Notice. Participant has reviewed the Agreement, the Plan and the Grant Notice in their entirety, has had an opportunity to obtain the advice of counsel prior to executing the Grant Notice and fully understands all provisions of the Grant Notice, the Agreement and the Plan. Participant hereby agrees to accept as binding, conclusive and final all decisions or interpretations of the Administrator upon any questions arising under the Plan, the Grant Notice or the Agreement.

T2 BIOSYSTEMS, INC.		**PARTICIPANT**	
By:	_____	By:	_____
Print Name:	_____	Print Name:	_____
Title:	_____		

EXHIBIT A
TO RESTRICTED STOCK UNIT GRANT NOTICE

RESTRICTED STOCK UNIT AGREEMENT

Pursuant to the Grant Notice to which this Agreement is attached, the Company has granted to Participant the number of RSUs set forth in the Grant Notice.

ARTICLE I.

GENERAL

1.1 Defined Terms. Capitalized terms not specifically defined herein shall have the meanings specified in the Plan or the Grant Notice.

1.2 Incorporation of Terms of Plan. The RSUs and the shares of Common Stock ("Stock") issued to Participant hereunder ("Shares") are subject to the terms and conditions set forth in this Agreement and the Plan, which is incorporated herein by reference. In the event of any inconsistency between the Plan and this Agreement, the terms of the Plan shall control.

ARTICLE II.

AWARD OF RESTRICTED STOCK UNITS AND DIVIDEND EQUIVALENTS

2.1 Award of RSUs and Dividend Equivalents.

(a) In consideration of Participant's past and/or continued employment with or service to the Company or a Subsidiary and for other good and valuable consideration, effective as of the grant date set forth in the Grant Notice (the "Grant Date"), the Company has granted to Participant the number of RSUs set forth in the Grant Notice, upon the terms and conditions set forth in the Grant Notice, the Plan and this Agreement, subject to adjustment as provided in Section 12.2 of the Plan. Each RSU represents the right to receive one Share or, at the option of the Company, an amount of cash as set forth in Section 2.3(b), in either case, at the times and subject to the conditions set forth herein. However, unless and until the RSUs have vested, Participant will have no right to the payment of any Shares subject thereto. Prior to the actual delivery of any Shares, the RSUs will represent an unsecured obligation of the Company, payable only from the general assets of the Company.

(b) The Company hereby grants to Participant an Award of Dividend Equivalents with respect to each RSU granted pursuant to the Grant Notice for all ordinary cash dividends which are paid to all or substantially all holders of the outstanding shares of Stock between the Grant Date and the date when the applicable RSU is distributed or paid to Participant or is forfeited or expires. The Dividend Equivalents for each RSU shall be equal to the amount of cash which is paid as a dividend on one share of Stock. All such Dividend Equivalents shall be credited to Participant and retained by the Company (without interest) or, at the Company's option, may be deemed to be reinvested in additional RSUs as of the date of payment of any such dividend based on the Fair Market Value of a share of Stock on such date. Each Dividend Equivalent (including and any additional RSU which results from the deemed reinvestment of Dividend Equivalents granted hereunder, if applicable) shall be subject to the same vesting, distribution or payment, adjustment and other provisions which apply to the underlying RSU to which such Dividend Equivalent relates.

2.2 Vesting of RSUs and Dividend Equivalents.

(a) Subject to Participant's continued employment with or service to the Company or a Subsidiary on each applicable vesting date and subject to the terms of this Agreement, the RSUs shall vest in such amounts and at such times as are set forth in the Grant Notice. Each Dividend Equivalent (including any additional RSU which results from deemed reinvestments of Dividend Equivalents pursuant to Section 2.1(b) hereof, if applicable) shall vest whenever the underlying RSU to which such Dividend Equivalent relates vests.

(b) In the event Participant incurs a Termination of Service, except as may be otherwise provided by the Administrator or as set forth in a written agreement between Participant and the Company, Participant shall immediately forfeit any and all RSUs and Dividend Equivalents (including any additional RSU which results from deemed reinvestments of Dividend Equivalents pursuant

to Section 2.1(b) hereof, if applicable) granted under this Agreement which have not vested or do not vest on or prior to the date on which such Termination of Service occurs, and Participant's rights in any such RSUs and Dividend Equivalents which are not so vested shall lapse and expire.

2.3 Distribution or Payment of RSUs.

(a) Participant's RSUs shall be distributed in Shares (either in book-entry form or otherwise) or, at the option of the Company, paid in an amount of cash as set forth in Section 2.3(b), in either case, as soon as administratively practicable following the vesting of the applicable RSU pursuant to Section 2.2, and, in any event, within sixty (60) days following such vesting. Notwithstanding the foregoing, the Company may delay a distribution or payment in settlement of RSUs if it reasonably determines that such payment or distribution will violate Federal securities laws or any other Applicable Law, *provided* that such distribution or payment shall be made at the earliest date at which the Company reasonably determines that the making of such distribution or payment will not cause such violation, as required by Treasury Regulation Section 1.409A-2(b)(7)(ii), and *provided further* that no payment or distribution shall be delayed under this Section 2.3(a) if such delay will result in a violation of Section 409A of the Code.

(b) In the event that the Company elects to make payment of Participant's RSUs in cash, the amount of cash payable with respect to each RSU shall be equal to the Fair Market Value of a Share on the day immediately preceding the applicable distribution or payment date set forth in Section 2.3(a). All distributions made in Shares shall be made by the Company in the form of whole Shares, and any fractional share shall be distributed in cash in an amount equal to the value of such fractional share determined based on the Fair Market Value as of the date immediately preceding the date of such distribution.

2.4 Conditions to Issuance of Certificates. The Company shall not be required to issue or deliver any certificate or certificates for any Shares prior to the fulfillment of all of the following conditions: (A) the admission of the Shares to listing on all stock exchanges on which such Shares are then listed, (B) the completion of any registration or other qualification of the Shares under any state or federal law or under rulings or regulations of the Securities and Exchange Commission or other governmental regulatory body, which the Administrator shall, in its absolute discretion, deem necessary or advisable, and (C) the obtaining of any approval or other clearance from any state or federal governmental agency that the Administrator shall, in its absolute discretion, determine to be necessary or advisable.

2.5 Tax Withholding. Notwithstanding any other provision of this Agreement:

(a) The Company and its Subsidiaries have the authority to deduct or withhold, or require Participant to remit to the Company or the applicable Subsidiary, an amount sufficient to satisfy applicable federal, state, local and foreign taxes (including the employee portion of any FICA obligation) required by law to be withheld with respect to any taxable event arising pursuant to this Agreement. The Company and its Subsidiaries may withhold or Participant may make such payment in one or more of the forms specified below:

(i) by cash or check made payable to the Company or the Subsidiary with respect to which the withholding obligation arises;

(ii) by the deduction of such amount from other compensation payable to Participant;

(iii) with respect to any withholding taxes arising in connection with the distribution of the RSUs, with the consent of the Administrator, by requesting that the Company and its Subsidiaries withhold a net number of vested shares of Stock otherwise issuable pursuant to the RSUs having a then current Fair Market Value not exceeding the amount necessary to satisfy the withholding obligation of the Company and its Subsidiaries based on the minimum applicable statutory withholding rates for federal, state, local and foreign income tax and payroll tax purposes;

(iv) with respect to any withholding taxes arising in connection with the distribution of the RSUs, with the consent of the Administrator, by tendering to the Company vested shares of Stock having a then current Fair Market Value not exceeding the amount necessary to satisfy the withholding obligation of the Company and its Subsidiaries based on the minimum applicable statutory withholding rates for federal, state, local and foreign income tax and payroll tax purposes;

(v) with respect to any withholding taxes arising in connection with the distribution of the RSUs, through the delivery of a notice that Participant has placed a market sell order with a broker acceptable to the Company with respect to shares of Stock then issuable to Participant pursuant to the RSUs, and that the broker has been directed to pay a sufficient portion of the net proceeds of the sale to the Company or the Subsidiary with respect to which the withholding obligation arises in satisfaction of such withholding taxes; *provided* that payment of such proceeds is then made to the Company or the applicable Subsidiary at such time as may be required by the Administrator, but in any event not later than the settlement of such sale; or

(vi) in any combination of the foregoing.

(b) With respect to any withholding taxes arising in connection with the RSUs, in the event Participant fails to provide timely payment of all sums required pursuant to Section 2.5(a), the Company shall have the right and option, but not the obligation, to treat such failure as an election by Participant to satisfy all or any portion of Participant's required payment obligation pursuant to Section 2.5(a)(ii) or Section 2.5(a)(iii) above, or any combination of the foregoing as the Company may determine to be appropriate. The Company shall not be obligated to deliver any certificate representing shares of Stock issuable with respect to the RSUs to Participant or his or her legal representative unless and until Participant or his or her legal representative shall have paid or otherwise satisfied in full the amount of all federal, state, local and foreign taxes applicable with respect to the taxable income of Participant resulting from the vesting or settlement of the RSUs or any other taxable event related to the RSUs.

(c) In the event any tax withholding obligation arising in connection with the RSUs will be satisfied under Section 2.5(a)(iii), then the Company may elect to instruct any brokerage firm

determined acceptable to the Company for such purpose to sell on Participant's behalf a whole number of shares from those shares of Stock then issuable to Participant pursuant to the RSUs as the Company determines to be appropriate to generate cash proceeds sufficient to satisfy the tax withholding obligation and to remit the proceeds of such sale to the Company or the Subsidiary with respect to which the withholding obligation arises. Participant's acceptance of this Award constitutes Participant's instruction and authorization to the Company and such brokerage firm to complete the transactions described in this Section 2.5(c), including the transactions described in the previous sentence, as applicable. The Company may refuse to issue any shares of Stock in settlement of the RSUs to Participant until the foregoing tax withholding obligations are satisfied, *provided* that no payment shall be delayed under this Section 2.5(c) if such delay will result in a violation of Section 409A of the Code.

(d) Participant is ultimately liable and responsible for all taxes owed in connection with the RSUs, regardless of any action the Company or any Subsidiary takes with respect to any tax withholding obligations that arise in connection with the RSUs. Neither the Company nor any Subsidiary makes any representation or undertaking regarding the treatment of any tax withholding in connection with the awarding, vesting or payment of the RSUs or the subsequent sale of Shares. The Company and the Subsidiaries do not commit and are under no obligation to structure the RSUs to reduce or eliminate Participant's tax liability.

2.6 Rights as Stockholder. Neither Participant nor any person claiming under or through Participant will have any of the rights or privileges of a stockholder of the Company in respect of any Shares deliverable hereunder unless and until certificates representing such Shares (which may be in book-entry form) will have been issued and recorded on the records of the Company or its transfer agents or registrars, and delivered to Participant (including through electronic delivery to a brokerage account). Except as otherwise provided herein, after such issuance, recordation and delivery, Participant will have all the rights of a stockholder of the Company with respect to such Shares, including, without limitation, the right to receipt of dividends and distributions on such Shares.

ARTICLE III.

OTHER PROVISIONS

3.1 Administration. The Administrator shall have the power to interpret the Plan, the Grant Notice and this Agreement and to adopt such rules for the administration, interpretation and application of the Plan, the Grant Notice and this Agreement as are consistent therewith and to interpret, amend or revoke any such rules. All actions taken and all interpretations and determinations made by the Administrator will be final and binding upon Participant, the Company and all other interested persons. To the extent allowable pursuant to Applicable Law, no member of the Committee or the Board will be personally liable for any action, determination or interpretation made with respect to the Plan, the Grant Notice or this Agreement.

3.2 RSUs Not Transferable. The RSUs may not be sold, pledged, assigned or transferred in any manner other than by will or the laws of descent and distribution, unless and until the Shares underlying the RSUs have been issued, and all restrictions applicable to such Shares have lapsed. No RSUs or any interest or right therein or part thereof shall be liable for the debts, contracts or engagements of Participant or his or her successors in interest or shall be subject to disposition by transfer, alienation, anticipation, pledge, encumbrance, assignment or any other means whether such disposition be voluntary or involuntary or by operation of law by judgment, levy, attachment, garnishment or any other legal or equitable proceedings (including bankruptcy), and any attempted disposition thereof shall be null and void and of no effect, except to the extent that such disposition is permitted by the preceding sentence.

3.3 Adjustments. The Administrator may accelerate the vesting of all or a portion of the RSUs in such circumstances as it, in its sole discretion, may determine. Participant acknowledges that the RSUs and the Shares subject to the RSUs are subject to adjustment, modification and termination in certain events as provided in this Agreement and the Plan, including Section 12.2 of the Plan.

3.4 Notices. Any notice to be given under the terms of this Agreement to the Company shall be addressed to the Company in care of the Secretary of the Company at the Company's principal office, and any notice to be given to Participant shall be addressed to Participant at Participant's last address reflected on the Company's records. By a notice given pursuant to this Section 3.4, either party may hereafter designate a different address for notices to be given to that party. Any notice shall be deemed duly given when sent via email or when sent by certified mail (return receipt requested) and deposited (with postage prepaid) in a post office or branch post office regularly maintained by the United States Postal Service.

3.5 Titles. Titles are provided herein for convenience only and are not to serve as a basis for interpretation or construction of this Agreement.

3.6 Governing Law. The laws of the State of Delaware shall govern the interpretation, validity, administration, enforcement and performance of the terms of this Agreement regardless of the law that might be applied under principles of conflicts of laws.

3.7 Conformity to Securities Laws. Participant acknowledges that the Plan, the Grant Notice and this Agreement are intended to conform to the extent necessary with all Applicable Laws, including, without limitation, the provisions of the Securities Act and the Exchange Act, and any and all regulations and rules promulgated thereunder by the Securities and Exchange Commission, and state securities laws and regulations. Notwithstanding anything herein to the contrary, the Plan shall be administered, and the RSUs are granted, only in such a manner as to conform to Applicable Law. To the extent permitted by Applicable Law, the Plan and this Agreement shall be deemed amended to the extent necessary to conform to Applicable Law.

3.8 Amendment, Suspension and Termination. To the extent permitted by the Plan, this Agreement may be wholly or partially amended or otherwise modified, suspended or terminated at any time or from time to time by the Administrator or the Board, *provided* that, except as may otherwise be provided by the Plan, no amendment, modification, suspension or termination of this Agreement shall adversely affect the RSUs in any material way without the prior written consent of Participant.

3.9 Successors and Assigns. The Company may assign any of its rights under this Agreement to single or multiple assignees, and this Agreement shall inure to the benefit of the successors and assigns of the Company. Subject to the restrictions on transfer set forth in Section 3.2 and the Plan, this Agreement shall be binding upon and inure to the benefit of the heirs, legatees, legal representatives, successors and assigns of the parties hereto.

3.10 Limitations Applicable to Section 16 Persons. Notwithstanding any other provision of the Plan or this Agreement, if Participant is subject to Section 16 of the Exchange Act, the Plan, the RSUs, the Dividend Equivalents (including RSUs which result from deemed reinvestments of Dividend Equivalents pursuant to Section 2.1(b) hereof, if applicable), the Grant Notice and this Agreement shall be subject to any additional limitations set forth in any applicable exemptive rule under Section 16 of the Exchange Act (including any amendment to Rule 16b-3 of the Exchange Act) that are requirements for the application of such exemptive rule. To the extent permitted by Applicable Law, this Agreement shall be deemed amended to the extent necessary to conform to such applicable exemptive rule.

3.11 Not a Contract of Employment. Nothing in this Agreement or in the Plan shall confer upon Participant any right to continue to serve as an employee or other service provider of the Company or any Subsidiary or shall interfere with or restrict in any way the rights of the Company and its Subsidiaries, which rights are hereby expressly reserved, to discharge or terminate the services of Participant at any time for any reason whatsoever, with or without cause, except to the extent expressly provided otherwise in a written agreement between the Company or a Subsidiary and Participant.

3.12 Entire Agreement. The Plan, the Grant Notice and this Agreement (including any exhibit hereto) constitute the entire agreement of the parties and supersede in their entirety all prior undertakings and agreements of the Company and Participant with respect to the subject matter hereof.

3.13 Section 409A. This Award is not intended to constitute "nonqualified deferred compensation" within the meaning of Section 409A of the Code (together with any Department of Treasury regulations and other interpretive guidance issued thereunder, including without limitation any such regulations or other guidance that may be issued after the date hereof, "Section 409A"). However, notwithstanding any other provision of the Plan, the Grant Notice or this Agreement, if at any time the Administrator determines that this Award (or any portion thereof) may be subject to Section 409A, the Administrator shall have the right in its sole discretion (without any obligation to do so or to indemnify Participant or any other person for failure to do so) to adopt such amendments to the Plan, the Grant Notice or this Agreement, or adopt other policies and procedures (including amendments, policies and procedures with retroactive effect), or take any other actions, as the Administrator determines are necessary or appropriate for this Award either to be exempt from the application of Section 409A or to comply with the requirements of Section 409A.

3.14 Agreement Severable. In the event that any provision of the Grant Notice or this Agreement is held invalid or unenforceable, such provision will be severable from, and such invalidity or unenforceability will not be construed to have any effect on, the remaining provisions of the Grant Notice or this Agreement.

3.15 Limitation on Participant's Rights. Participation in the Plan confers no rights or interests other than as herein provided. This Agreement creates only a contractual obligation on the part of the Company as to amounts payable and shall not be construed as creating a trust. Neither the Plan nor any underlying program, in and of itself, has any assets. Participant shall have only the rights of a general unsecured creditor of the Company with respect to amounts credited and benefits payable, if any, with respect to the RSUs and Dividend Equivalents.

3.16 Counterparts. The Grant Notice may be executed in one or more counterparts, including by way of any electronic signature, subject to Applicable Law, each of which shall be deemed an original and all of which together shall constitute one instrument.

3.17 Broker-Assisted Sales. In the event of any broker-assisted sale of shares of Stock in connection with the payment of withholding taxes as provided in Section 2.5(a)(iii) or Section 2.5(a)(v): (A) any shares of Stock to be sold through a broker-assisted sale will be sold on the day the tax withholding obligation arises or as soon thereafter as practicable; (B) such shares of Stock may be sold as part of a block trade with other participants in the Plan in which all participants receive an average price; (C) Participant will be responsible for all broker's fees and other costs of sale, and Participant agrees to indemnify and hold the Company harmless from any losses, costs, damages, or expenses relating to any such sale; (D) to the extent the proceeds of such sale exceed the applicable tax withholding obligation, the Company agrees to pay such excess in cash to Participant as soon as reasonably practicable; (E) Participant acknowledges that the Company or its designee is under no obligation to arrange for such sale at any particular price, and that the proceeds of any such sale may not be sufficient to satisfy the

applicable tax withholding obligation; and (F) in the event the proceeds of such sale are insufficient to satisfy the applicable tax withholding obligation, Participant agrees to pay immediately upon demand to the Company or its Subsidiary with respect to which the withholding obligation arises an amount in cash sufficient to satisfy any remaining portion of the Company's or the applicable Subsidiary's withholding obligation.

* * * * *

T2 BIOSYSTEMS, INC.
2014 INCENTIVE AWARD PLAN

RESTRICTED STOCK GRANT NOTICE

T2 Biosystems, Inc., a Delaware corporation (the "Company"), pursuant to its 2014 Incentive Award Plan, as amended from time to time (the "Plan"), hereby grants to the holder listed below ("Participant") the number of shares of Restricted Stock (the "Shares") set forth below. The Shares are subject to the terms and conditions set forth in this Restricted Stock Grant Notice (the "Grant Notice") and the Restricted Stock Agreement attached hereto as Exhibit A (the "Agreement") and the Plan, which are incorporated herein by reference. Unless otherwise defined herein, the terms defined in the Plan shall have the same defined meanings in the Grant Notice and the Agreement.

Participant:

Grant Date:

Total Number of Shares of Restricted Stock:

Vesting Schedule: [To be specified in individual agreements]

By Participant's signature below, Participant agrees to be bound by the terms and conditions of the Plan, the Agreement and the Grant Notice. Participant has reviewed the Agreement, the Plan and the Grant Notice in their entirety, has had an opportunity to obtain the advice of counsel prior to executing the Grant Notice and fully understands all provisions of the Grant Notice, the Agreement and the Plan. Participant hereby agrees to accept as binding, conclusive and final all decisions or interpretations of the Administrator upon any questions arising under the Plan, the Grant Notice or the Agreement.

T2 BIOSYSTEMS, INC.		**PARTICIPANT**	
By:	_____	By:	_____
Print Name:	_____	Print Name:	_____
Title:	_____		

EXHIBIT A
TO RESTRICTED STOCK GRANT NOTICE

RESTRICTED STOCK AGREEMENT

Pursuant to the Grant Notice to which this Agreement is attached, the Company has granted to Participant the number of Shares set forth in the Grant Notice.

ARTICLE I.

GENERAL

1.1 Defined Terms. Capitalized terms not specifically defined herein shall have the meanings specified in the Plan or the Grant Notice.

1.2 Incorporation of Terms of Plan. The Shares issued to Participant pursuant to the Grant Notice are subject to the terms and conditions set forth in this Agreement and the Plan, which is incorporated herein by reference. In the event of any inconsistency between the Plan and this Agreement, the terms of the Plan shall control.

ARTICLE II.

ISSUANCE OF SHARES

2.1 Issuance of Shares. In consideration of Participant's past and/or continued employment with or service to the Company or a Subsidiary and for other good and valuable consideration, effective as of the grant date set forth in the Grant Notice (the "Grant Date"), the Company has granted to Participant the number of Shares set forth in the Grant Notice, upon the terms and conditions set forth in the Grant Notice, this Agreement and the Plan.

2.2 Issuance Mechanics. As of the Grant Date, the Company shall issue the Shares in the form of Common Stock ("Stock") to Participant and shall (a) cause a stock certificate or certificates representing such shares of Stock to be registered in the name of Participant, or (b) cause such shares of Stock to be held in book-entry form. If a stock certificate is issued, it shall be delivered to and held in custody by the Company and shall bear the restrictive legends required by Section 5.1. If the shares of Stock are held in book-entry form, then such entry will reflect that the shares are subject to the restrictions of this Agreement.

ARTICLE III.

FORFEITURE AND TRANSFER RESTRICTIONS

3.1 Forfeiture Restriction. Subject to the provisions of Section 3.2 below, in the event of Participant's Termination of Service for any reason, including as a result of Participant's death or disability, all of the Unreleased Shares (as defined below) shall thereupon be forfeited immediately and without any further action by the Company (the "Forfeiture Restriction"), except as otherwise provided in a written agreement between Participant and the Company. Upon the occurrence of such forfeiture, the Company shall become the legal and beneficial owner of the Unreleased Shares and all rights and interests therein or relating thereto, and the Company shall have the right to retain and transfer to its own name the number of Unreleased Shares being forfeited by Participant. The Unreleased Shares shall be held by the Company in accordance with Section 3.3 until the Shares are forfeited as provided in this Section 3.1, until such Unreleased Shares are fully released from the Forfeiture Restriction as provided in

Section 3.2 or until such time as this Agreement is no longer in effect. Participant hereby authorizes and directs the Secretary of the Company, or such other person designated by the Administrator, to transfer any Unreleased Shares that are forfeited pursuant to this Section 3.1 from Participant to the Company.

3.2 Release of Shares from Forfeiture Restriction. The Shares shall be released from the Forfeiture Restriction in accordance with the vesting schedule set forth in the Grant Notice. Any of the Shares which, from time to time, have not yet been released from the Forfeiture Restriction are referred to herein as "Unreleased Shares." In the event any of the Unreleased Shares are released from the Forfeiture Restriction, any Retained Distributions (as defined below) paid on such Unreleased Shares shall be promptly paid by the Company to Participant. As soon as administratively practicable following the release of any Shares from the Forfeiture Restriction, the Company shall, as applicable, either deliver to Participant the certificate or certificates representing such Shares in the Company's possession belonging to Participant, or, if the Shares are held in book-entry form, then the Company shall remove the notations indicating that the shares are subject to the restrictions of this Agreement. Participant (or the beneficiary or personal representative of Participant in the event of Participant's death or incapacity, as the case may be) shall deliver to the Company any representations or other documents or assurances as the Company or its representatives deem necessary or advisable in connection with any such delivery.

3.3 Escrow.

(a) The Unreleased Shares shall be held by the Company until such Unreleased Shares are forfeited as provided in Section 3.1, until such Unreleased Shares are fully released from the Forfeiture Restriction as provided in Section 3.2 or until such time as this Agreement is no longer in effect. Participant shall not retain physical custody of any certificates representing Unreleased Shares issued to Participant. Participant, by acceptance of this Award, shall be deemed to appoint, and does so appoint, the Company and each of its authorized representatives as Participant's attorney(s)-in-fact to effect any transfer of forfeited Unreleased Shares (and Retained Distributions, if any, paid on such forfeited Unreleased Shares) to the Company as may be required pursuant to the Plan or this Agreement, and to execute such representations or other documents or assurances as the Company or such representatives deem necessary or advisable in connection with any such transfer. To the extent allowable by Applicable Law, the Company, or its designee, shall not be liable for any act it may do or omit to do with respect to holding the Shares in escrow and while acting in good faith and in the exercise of its judgment.

(b) The Company will retain custody of all cash dividends and other distributions ("Retained Distributions") made or declared with respect to Unreleased Shares (and such Retained Distributions will be subject to the Forfeiture Restriction and the other terms and conditions under this Agreement that are applicable to the Shares) until such time, if ever, as the Unreleased Shares with respect to which such Retained Distributions shall have been made, paid or declared shall have become vested pursuant to the Grant Notice. Retained Distributions that were made or declared in cash will be retained by the Company in a bookkeeping account until the Unreleased Shares with respect to which such Retained Distributions relate shall have become vested pursuant to the Grant Notice, at which time the Company shall release to Participant the amount retained in the Participant's bookkeeping account, without interest, as cash; provided that, at the Company's option, Retained Distributions may be deemed reinvested in notional shares of Stock such that upon release and distribution of such Retained Distributions to Participant, Participant shall be entitled to receive on the date of such distribution or release an amount of cash or the number of whole shares of Stock or a combination thereof, as determined by the Administrator, the aggregate fair value of which shall be equal to the Fair Market Value of the notional shares of Stock to which such released Retained Distributions relate. Any Retained Distributions with respect to Unreleased Shares shall be forfeited in the event such Unreleased Shares are forfeited.

3.4 Rights as Stockholder. Except as otherwise provided herein, upon issuance of the Shares by the Company, Participant shall have all the rights of a stockholder with respect to said Shares, subject to the restrictions herein, including the right to vote the Shares and to receive all dividends or other distributions paid or made with respect to the Shares.

ARTICLE IV.

TAXATION AND TAX WITHHOLDING

4.1 Representation. Participant represents to the Company that Participant has reviewed with his or her own tax advisors the federal, state, local and foreign tax consequences of this investment and the transactions contemplated by this Agreement. Participant is relying solely on such advisors and not on any statements or representations of the Company or any of its agents.

4.2 Section 83(b) Election. If Participant makes an election under Section 83(b) of the Internal Revenue Code of 1986, as amended (the "Code"), to be taxed with respect to the Shares as of the date of transfer of the Shares rather than as of the date or dates upon which Participant would otherwise be taxable under Section 83(a) of the Code, Participant shall deliver a copy of such election to the Company promptly upon filing such election with the Internal Revenue Service.

4.3 Tax Withholding. Notwithstanding any other provision of this Agreement:

(a) The Company and its Subsidiaries have the authority to deduct or withhold, or require Participant to remit to the Company or the applicable Subsidiary, an amount sufficient to satisfy applicable federal, state, local and foreign taxes (including the employee portion of any FICA obligation) required by law to be withheld with respect to any taxable event arising pursuant to this Agreement. The Company and its Subsidiaries may withhold or Participant may make such payment in one or more of the forms specified below:

(i) by cash or check made payable to the Company or the Subsidiary with respect to which the withholding obligation arises;

(ii) by the deduction of such amount from other compensation payable to Participant;

(iii) with respect to any withholding taxes arising in connection with the vesting of the Shares, with the consent of the Administrator, by requesting that the Company and its Subsidiaries withhold a net number of vested Shares having a then current Fair Market Value not exceeding the amount necessary to satisfy the withholding obligation of the Company and its Subsidiaries based on the minimum applicable statutory withholding rates for federal, state, local and foreign income tax and payroll tax purposes;

(iv) with respect to any withholding taxes arising in connection with the vesting of the Shares, with the consent of the Administrator, by tendering to the Company vested shares of Stock having a then current Fair Market Value not exceeding the amount necessary to satisfy the withholding obligation of the Company and its Subsidiaries based on the minimum applicable statutory withholding rates for federal, state, local and foreign income tax and payroll tax purposes;

(v) with respect to any withholding taxes arising in connection with the vesting of the Shares, through the delivery of a notice that Participant has placed a market sell order with a broker acceptable to the Company with respect to those Shares that are then becoming vested and that

the broker has been directed to pay a sufficient portion of the net proceeds of the sale to the Company or the Subsidiary with respect to which the withholding obligation arises in satisfaction of such withholding taxes; *provided* that payment of such proceeds is then made to the Company or the applicable Subsidiary at such time as may be required by the Administrator, but in any event not later the settlement of such sale; or

(vi) in any combination of the foregoing.

(b) With respect to any withholding taxes arising in connection with the Shares, in the event Participant fails to provide timely payment of all sums required pursuant to Section 4.3(a), the Company shall have the right and option, but not the obligation, to treat such failure as an election by Participant to satisfy all or any portion of Participant's required payment obligation pursuant to Section 4.3(a)(ii) or Section 4.3(a)(iii) above, or any combination of the foregoing as the Company may determine to be appropriate. The Company shall not be obligated to deliver any certificate representing the Shares to Participant or his or her legal representative unless and until Participant or his or her legal representative shall have paid or otherwise satisfied in full the amount of all federal, state, local and foreign taxes applicable with respect to the taxable income of Participant resulting from the vesting of the Shares or any other taxable event related to the Shares.

(c) In the event any tax withholding obligation arising in connection with the Shares will be satisfied under Section 4.3(a)(iii), then the Company may elect to instruct any brokerage firm determined acceptable to the Company for such purpose to sell on Participant's behalf a whole number of shares of Stock from those Shares that are then becoming vested as the Company determines to be appropriate to generate cash proceeds sufficient to satisfy the tax withholding obligation and to remit the proceeds of such sale to the Company or the Subsidiary with respect to which the withholding obligation arises. Participant's acceptance of this Award constitutes Participant's instruction and authorization to the Company and such brokerage firm to complete the transactions described in this Section 4.3(c), including the transactions described in the previous sentence, as applicable. The Company may refuse to deliver any certificate representing the Shares to Participant or his or her legal representative until the foregoing tax withholding obligations are satisfied.

(d) Participant is ultimately liable and responsible for all taxes owed in connection with the Shares, regardless of any action the Company or any Subsidiary takes with respect to any tax withholding obligations that arise in connection with the Shares. Neither the Company nor any Subsidiary makes any representation or undertaking regarding the treatment of any tax withholding in connection with the awarding, vesting or payment of the Shares or the subsequent sale of the Shares. The Company and the Subsidiaries do not commit and are under no obligation to structure this Award to reduce or eliminate Participant's tax liability.

ARTICLE V.

RESTRICTIVE LEGENDS AND STOP-TRANSFER ORDERS

5.1 Legends. The certificate or certificates representing the Shares, if any, shall bear the following legend (as well as any legends required by the Company's charter and Applicable Law):

THE SHARES REPRESENTED BY THIS CERTIFICATE ARE SUBJECT TO FORFEITURE IN FAVOR OF THE COMPANY AND MAY BE TRANSFERRED ONLY IN ACCORDANCE WITH THE TERMS OF A RESTRICTED STOCK AGREEMENT BETWEEN THE

COMPANY AND THE STOCKHOLDER, A COPY OF WHICH IS ON FILE WITH THE SECRETARY OF THE COMPANY.

5.2 Refusal to Transfer; Stop-Transfer Notices. The Company shall not be required (a) to transfer on its books any Shares that have been sold or otherwise transferred in violation of any of the provisions of this Agreement or (b) to treat as owner of such Shares or to accord the right to vote or pay dividends to any purchaser or other transferee to whom such Shares shall have been so transferred. Participant agrees that, in order to ensure compliance with the restrictions referred to herein, the Company may issue appropriate "stop transfer" instructions to its transfer agent, if any, and that, if the Company transfers its own securities, it may make appropriate notations to the same effect in its own records.

5.3 Removal of Legend. After such time as the Forfeiture Restriction shall have lapsed with respect to the Shares, and upon Participant's request, a new certificate or certificates representing such Shares shall be issued without the legend referred to in Section 5.1 and delivered to Participant. If the Shares are held in book entry form, the Company shall cause any restrictions noted on the book form to be removed.

ARTICLE VI.

OTHER PROVISIONS

6.1 Administration. The Administrator shall have the power to interpret the Plan, the Grant Notice and this Agreement and to adopt such rules for the administration, interpretation and application of the Plan, the Grant Notice and this Agreement as are consistent therewith and to interpret, amend or revoke any such rules. All actions taken and all interpretations and determinations made by the Administrator will be final and binding upon Participant, the Company and all other interested persons. To the extent allowable pursuant to Applicable Law, no member of the Committee or the Board will be personally liable for any action, determination or interpretation made with respect to the Plan, the Grant Notice or this Agreement.

6.2 Shares Not Transferable. The Shares and Retained Distributions may not be sold, pledged, assigned or transferred in any manner unless and until the Forfeiture Restrictions have lapsed. No Unreleased Shares or Retained Distributions or any interest or right therein or part thereof shall be liable for the debts, contracts or engagements of Participant or his or her successors in interest or shall be subject to disposition by transfer, alienation, anticipation, pledge, encumbrance, assignment or any other means whether such disposition be voluntary or involuntary or by operation of law by judgment, levy, attachment, garnishment or any other legal or equitable proceedings (including bankruptcy), and any attempted disposition thereof shall be null and void and of no effect.

6.3 Adjustments. The Administrator may accelerate the vesting of all or a portion of the Unreleased Shares in such circumstances as it, in its sole discretion, may determine. Participant acknowledges that the Shares are subject to adjustment, modification and termination in certain events as provided in this Agreement and the Plan, including Section 12.2 of the Plan.

6.4 Notices. Any notice to be given under the terms of this Agreement to the Company shall be addressed to the Company in care of the Secretary of the Company at the Company's principal office, and any notice to be given to Participant shall be addressed to Participant at Participant's last address reflected on the Company's records. By a notice given pursuant to this Section 6.4, either party may hereafter designate a different address for notices to be given to that party. Any notice shall be deemed duly given when sent via email (if to Participant) or when sent by certified mail (return receipt requested)

and deposited (with postage prepaid) in a post office or branch post office regularly maintained by the United States Postal Service.

6.5 Titles. Titles are provided herein for convenience only and are not to serve as a basis for interpretation or construction of this Agreement.

6.6 Governing Law. The laws of the State of Delaware shall govern the interpretation, validity, administration, enforcement and performance of the terms of this Agreement regardless of the law that might be applied under principles of conflicts of laws.

6.7 Conformity to Securities Laws. Participant acknowledges that the Plan, the Grant Notice and this Agreement are intended to conform to the extent necessary with all Applicable Law, including, without limitation, the provisions of the Securities Act and the Exchange Act, and any and all regulations and rules promulgated thereunder by the Securities and Exchange Commission, and state securities laws and regulations. Notwithstanding anything herein to the contrary, the Plan shall be administered, and the Shares are granted, only in such a manner as to conform to Applicable Law. To the extent permitted by Applicable Law, the Plan and this Agreement shall be deemed amended to the extent necessary to conform to Applicable Law.

6.8 Amendment, Suspension and Termination. To the extent permitted by the Plan, this Agreement may be wholly or partially amended or otherwise modified, suspended or terminated at any time or from time to time by the Administrator or the Board, *provided* that, except as may otherwise be provided by the Plan, no amendment, modification, suspension or termination of this Agreement shall adversely affect the Shares in any material way without the prior written consent of Participant.

6.9 Successors and Assigns. The Company may assign any of its rights under this Agreement to single or multiple assignees, and this Agreement shall inure to the benefit of the successors and assigns of the Company. Subject to the restrictions on transfer set forth in Section 6.2 and the Plan, this Agreement shall be binding upon and inure to the benefit of the heirs, legatees, legal representatives, successors and assigns of the parties hereto.

6.10 Limitations Applicable to Section 16 Persons. Notwithstanding any other provision of the Plan or this Agreement, if Participant is subject to Section 16 of the Exchange Act, the Plan, the Shares, the Grant Notice and this Agreement shall be subject to any additional limitations set forth in any applicable exemptive rule under Section 16 of the Exchange Act (including any amendment to Rule 16b-3 of the Exchange Act) that are requirements for the application of such exemptive rule. To the extent permitted by Applicable Law, this Agreement shall be deemed amended to the extent necessary to conform to such applicable exemptive rule.

6.11 Not a Contract of Employment. Nothing in this Agreement or in the Plan shall confer upon Participant any right to continue to serve as an employee or other service provider of the Company or any Subsidiary or shall interfere with or restrict in any way the rights of the Company and its Subsidiaries, which rights are hereby expressly reserved, to discharge or terminate the services of Participant at any time for any reason whatsoever, with or without cause, except to the extent expressly provided otherwise in a written agreement between the Company or a Subsidiary and Participant.

6.12 Entire Agreement. The Plan, the Grant Notice and this Agreement (including any exhibit hereto) constitute the entire agreement of the parties and supersede in their entirety all prior undertakings and agreements of the Company and Participant with respect to the subject matter hereof.

6.13 Section 409A. This Award is not intended to constitute "nonqualified deferred compensation" within the meaning of Section 409A of the Code (together with any Department of Treasury regulations and other interpretive guidance issued thereunder, including without limitation any such regulations or other guidance that may be issued after the date hereof, "Section 409A"). However, notwithstanding any other provision of the Plan, the Grant Notice or this Agreement, if at any time the Administrator determines that this Award (or any portion thereof) may be subject to Section 409A, the Administrator shall have the right in its sole discretion (without any obligation to do so or to indemnify Participant or any other person for failure to do so) to adopt such amendments to the Plan, the Grant Notice or this Agreement, or adopt other policies and procedures (including amendments, policies and procedures with retroactive effect), or take any other actions, as the Administrator determines are necessary or appropriate for this Award either to be exempt from the application of Section 409A or to comply with the requirements of Section 409A.

6.14 Agreement Severable. In the event that any provision of the Grant Notice or this Agreement is held invalid or unenforceable, such provision will be severable from, and such invalidity or unenforceability will not be construed to have any effect on, the remaining provisions of the Grant Notice or this Agreement.

6.15 Limitation on Participant's Rights. Participation in the Plan confers no rights or interests other than as herein provided. This Agreement creates only a contractual obligation on the part of the Company as to amounts payable and shall not be construed as creating a trust. Neither the Plan nor any underlying program, in and of itself, has any assets. Participant shall have only the rights of a general unsecured creditor of the Company with respect to amounts credited and benefits payable, if any, with respect to the Award.

6.16 Counterparts. The Grant Notice may be executed in one or more counterparts, including by way of any electronic signature, subject to Applicable Law, each of which shall be deemed an original and all of which together shall constitute one instrument.

6.17 Broker-Assisted Sales. In the event of any broker-assisted sale of shares of Stock in connection with the payment of withholding taxes as provided in Section 4.3(a)(iii) or Section 4.3(a)(v): (A) any shares of Stock to be sold through a broker-assisted sale will be sold on the day the tax withholding obligation arises or as soon thereafter as practicable; (B) such shares of Stock may be sold as part of a block trade with other participants in the Plan in which all participants receive an average price; (C) Participant will be responsible for all broker's fees and other costs of sale, and Participant agrees to indemnify and hold the Company harmless from any losses, costs, damages, or expenses relating to any such sale; (D) to the extent the proceeds of such sale exceed the applicable tax withholding obligation, the Company agrees to pay such excess in cash to Participant as soon as reasonably practicable; (E) Participant acknowledges that the Company or its designee is under no obligation to arrange for such sale at any particular price, and that the proceeds of any such sale may not be sufficient to satisfy the applicable tax withholding obligation; and (F) in the event the proceeds of such sale are insufficient to satisfy the applicable tax withholding obligation, Participant agrees to pay immediately upon demand to the Company or its Subsidiary with respect to which the withholding obligation arises an amount in cash sufficient to satisfy any remaining portion of the Company's or the applicable Subsidiary's withholding obligation.

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T2 BIOSYSTEMS, INC.

NON-EMPLOYEE DIRECTOR COMPENSATION PROGRAM

Non-employee members of the board of directors (the "***Board***") of T2 Biosystems, Inc. (the "***Company***") shall be eligible to receive cash and equity compensation as set forth in this Non-Employee Director Compensation Program (this "***Program***"). The cash and equity compensation described in this Program shall be paid or be made, as applicable, automatically and without further action of the Board, to each member of the Board who is not an employee of the Company or any parent or subsidiary of the Company (each, a "***Non-Employee Director***") who may be eligible to receive such cash or equity compensation, unless such Non-Employee Director declines the receipt of such cash or equity compensation by written notice to the Company. This Program shall remain in effect until it is revised or rescinded by further action of the Board. This Program may be amended, modified or terminated by the Board at any time in its sole discretion. The terms and conditions of this Program shall supersede any prior cash and/or equity compensation arrangements for service as a member of the Board between the Company and any of its Non-Employee Directors. No Non-Employee Director shall have any rights hereunder, except with respect to stock options granted pursuant to the Program. This Program shall become effective on the date of the effectiveness of the Company's Registration Statement on Form S-1 (Reg. No. 333-197193) relating to the initial public offering of common stock (the "***Effective Date***").

1. Cash Compensation.

(a) Annual Retainers. Each Non-Employee Director shall be eligible to receive an annual retainer of $35,000 for service on the Board.

(b) Additional Annual Retainers. In addition, each Non-Employee Director shall be eligible to receive the following annual retainers:

(i) Chairman of the Board or Lead Independent Director. A Non-Employee Director serving as Chairman of the Board or Lead Independent Director shall receive an additional annual retainer of $30,000 for such service.

(ii) Audit Committee. A Non-Employee Director serving as Chairperson of the Audit Committee shall receive an additional annual retainer of $15,000 for such service.

(iii) Compensation Committee. A Non-Employee Director serving as Chairperson of the Compensation Committee shall receive an additional annual retainer of $10,000 for such service.

(vi) Nominating and Corporate Governance Committee. A Non-Employee Director serving as Chairperson of the Nominating and Corporate Governance Committee shall receive an additional annual retainer of $7,500 for such service.

(vii) Technology Committee. A Non-Employee Director serving on the Technology Committee shall receive an additional annual retainer of $15,000 for such service.

(c) Payment of Retainers. The annual retainers described in Sections 1(a) and 1(b) shall be earned on a quarterly basis based on a calendar quarter and shall be paid by the Company in arrears not later than the fifteenth day following the end of each calendar quarter. In the event a Non-Employee Director does not serve as a Non-Employee Director, or in the applicable positions described in Section 1(b), for an entire calendar quarter, the retainer paid to such Non-Employee Director shall be prorated for the portion of such calendar quarter actually served as a Non-Employee Director, or in such position, as applicable.

2. Equity Compensation. Non-Employee Directors shall be granted the equity awards described below. The awards described below shall be granted under and shall be subject to the terms and provisions of the Company's 2014 Incentive Award Plan or any other applicable Company equity incentive plan then-maintained by the Company (the "***Equity Plan***") and shall be granted subject to award agreements, including attached exhibits, in substantially the forms previously approved by the Board. All applicable terms of the Equity Plan apply to this Program as if fully set forth herein, and all grants of stock options hereby are subject in all respects to the terms of the Equity Plan. For the avoidance of doubt, the share numbers in Sections 2(a) and 2(b) shall be subject to adjustment as provided in the Equity Plan, including with respect to any reverse stock split of the Company's common stock effected prior to the Effective Time.

(a) Initial Awards. Each Non-Employee Director who is initially elected or appointed to the Board after the Effective Date shall be eligible to receive an option to purchase 112,500 shares of the Company's common stock on the date of such initial election or appointment. The awards described in this Section 2(a) shall be referred to as "***Initial Awards***." No Non-Employee Director shall be granted more than one Initial Award.

(b) Subsequent Awards. A Non-Employee Director who (i) has been serving as a Non-Employee Director on the Board for at least six months as of the date of any annual meeting of the Company's stockholders after the Effective Date and (ii) will continue to serve as a Non-Employee Director immediately following such meeting, shall be automatically granted an option to purchase 30,000 shares of the Company's common stock on the date of such annual meeting. The awards described in this Section 2(b) shall be referred to as "***Subsequent Awards***." For the avoidance of doubt, a Non-Employee Director elected for the first time to the Board at an annual meeting of the Company's stockholders shall only receive an Initial Award in connection with such election, and shall not receive any Subsequent Award on the date of such meeting as well.

(c) Termination of Service of Employee Directors. Members of the Board who are employees of the Company or any parent or subsidiary of the Company who subsequently terminate their service with the Company and any parent or subsidiary of the Company and remain on the Board will not receive an Initial Award pursuant to Section 2(a) above, but to the extent that they are otherwise eligible, will be eligible to receive, after termination from service with the Company and any parent or subsidiary of the Company, Subsequent Awards as described in Section 2(b) above.

(d) Terms of Awards Granted to Non-Employee Directors

(i) Purchase Price. The per share exercise price of each option granted to a Non-Employee Director shall equal the Fair Market Value (as defined in the Equity Plan) of a share of common stock on the date the option is granted.

(ii) Vesting. Each Initial Award shall vest and become exercisable in substantially equal installments on each of the first three anniversaries of the date of grant, subject to the Non-Employee Director continuing in service on the Board through each such vesting date. Each Subsequent Award shall vest and become exercisable in 12 substantially equal monthly installments following the date of grant, such that the Subsequent Award shall be fully vested on the first anniversary of the date of grant, subject to the Non-Employee Director continuing in service on the Board through each such vesting date. Unless the Board otherwise determines, any portion of an Initial Award or Subsequent Award which is unvested or unexercisable at the time of a Non-Employee Director's termination of service on the Board shall be immediately forfeited upon such termination of service and shall not thereafter become vested and exercisable. All of a Non-Employee Director's Initial Awards and Subsequent Awards shall vest in full immediately prior to the occurrence of a Change in Control (as defined in the Equity Plan), to the extent outstanding at such time.

(iii) Term. The maximum term of each stock option granted to a Non-Employee Director hereunder shall be ten (10) years from the date the option is granted.

* * * * *

Exhibit 10.4

FORM OF

INDEMNIFICATION AGREEMENT

THIS INDEMNIFICATION AGREEMENT (this "***Agreement***") is made and entered into as of [ ] [ ], 20[ ], by and between T2 Biosystems, Inc. (the "***Company***") and [ ] ("***Indemnitee***").

RECITALS

WHEREAS, the Company values Indemnitee's service to the Company as a director or officer and desires that Indemnitee continue to serve the Company in such capacity;

WHEREAS, Indemnitee does not regard the protection available under the organizational documents of the Company and any insurance policies maintained by the Company as adequate in the present circumstances, and Indemnitee may not be willing to continue to serve in his or her capacity as a director or officer of the Company without the additional protections set forth in this Agreement;

WHEREAS, the Board of Directors of the Company (the "***Board***") has determined that, on the basis of the foregoing, it is reasonable, prudent and necessary for the Company to obligate itself contractually to indemnify, and to advance expenses on behalf of, Indemnitee to the fullest extent permitted by applicable law so that Indemnitee will serve or continue to serve the Company free from undue concern that he or she will not be so indemnified;

WHEREAS, this Agreement is a supplement to and in furtherance of the organizational documents of the Company and any resolutions adopted pursuant thereto, and shall not be deemed a substitute therefor, nor to diminish or abrogate any rights of Indemnitee thereunder; and

WHEREAS, Indemnitee may have certain rights to indemnification and/or insurance provided by an investment or venture capital fund with which Indemnitee is or may become affiliated (the "***Associated Fund***") which Indemnitee and the Associated Fund intend to be secondary to the primary obligation of the Company to indemnify Indemnitee as provided herein, with the Company's acknowledgement and agreement to the foregoing being a material condition to Indemnitee's willingness to serve on the Board.

NOW, THEREFORE, in consideration of the mutual promises and agreements herein contained, and intending to be legally bound, the parties hereto agree as follows:

AGREEMENT

1. INDEMNIFICATION OF INDEMNITEE AND ASSOCIATED FUND. The Company hereby agrees to hold harmless and indemnify Indemnitee to the fullest extent permitted by applicable law, as such may be amended from time to time. In furtherance of the foregoing indemnification, and without limiting the generality thereof:

(a) Indemnitee shall be entitled to the rights of indemnification provided in this Section 1(a) if, by reason of his or her Corporate Status (as defined in Section 13(c)), the Indemnitee is, or is threatened to be made, a party to or participant in any Proceeding (as defined in Section 13(j)) other than a Proceeding by or in the right of the Company. Pursuant to this Section 1(a), Indemnitee shall be indemnified against all Expenses (as defined in Section 13(g)), judgments, penalties, fines and amounts paid in settlement actually and reasonably incurred by him or her, or on his or her behalf, in connection with such Proceeding or any claim, issue or matter therein, if the Indemnitee acted in good faith and in a manner the Indemnitee reasonably believed to be in or not opposed to the best interests of the Company, and with respect to any criminal Proceeding, had no reasonable cause to believe the Indemnitee's conduct was unlawful.

(b) Indemnitee shall be entitled to the rights of indemnification provided in this Section 1(b) if, by reason of his or her Corporate Status, the Indemnitee is, or is threatened to be made, a party to or participant in any Proceeding brought by or in the right of the Company. Pursuant to this Section 1(b), Indemnitee shall be indemnified against all Expenses actually and reasonably incurred by the Indemnitee, or on the Indemnitee's behalf, in connection with such Proceeding if the Indemnitee acted in good faith and in a manner the Indemnitee reasonably believed to be in or not opposed to the best interests of the Company; provided, however, that if applicable law so provides, no indemnification against such Expenses shall be made in respect of any claim, issue or matter in such Proceeding as to which Indemnitee shall have been adjudged to be liable to the Company unless and to the extent that a court of competent jurisdiction shall determine that such indemnification may be made.

(c) Notwithstanding any other provision of this Agreement, to the extent that Indemnitee is, by reason of his or her Corporate Status, a party to and is successful, on the merits or otherwise, in any Proceeding, he or she shall be indemnified to the maximum extent permitted by law, as such may be amended from time to time, against all Expenses actually and reasonably incurred by him or her, or on his or her behalf, in connection therewith. If Indemnitee is not wholly successful in such Proceeding but is successful, on the merits or otherwise, as to one or more but less than all claims, issues or matters in such Proceeding, the Company shall indemnify Indemnitee against all Expenses actually and reasonably incurred by him or her, or on his or her behalf, in connection with each successfully resolved claim, issue or matter. For purposes of this Section 1(c) and without limitation, the termination of any claim, issue or matter in such a Proceeding by dismissal, with or without prejudice, shall be deemed to be a successful result as to such claim, issue or matter.

(d) If the Associated Fund is, or is threatened to be made, a party to or a participant in any Proceeding relating to or arising by reason of the Associated Fund's position as a stockholder of, or lender to, the Company, or the Associated Fund's appointment of or affiliation with Indemnitee or any other director, including without limitation any alleged misappropriation of a Company asset or corporate opportunity, any claim of misappropriation or infringement of intellectual property relating to the Company, any alleged false or misleading statement or omission made by the Company (or on its behalf) or its employees or agents, or any allegation of inappropriate control or influence over the Company or its Board members, officers, equity holders or debt holders, then the Associated Fund will be entitled to indemnification hereunder for Expenses to the same extent as Indemnitee, and the terms of this Agreement as they relate to procedures for indemnification of Indemnitee and advancement of Expenses shall apply to any

such indemnification of the Associated Fund. The rights provided to the Associated Fund under this Section 1(d) shall: (i) be suspended during any period during which the Associated Fund does not have a representative on the Board; and (ii) terminate on an initial public offering of the Company's Common Stock under the Securities Act of 1933, as amended (an "***IPO***"); provided, however, that in the event of any such suspension or termination, the Associated Fund's rights to indemnification will not be suspended or terminated with respect to any Proceeding based in whole or in part on facts and circumstances occurring at any time prior to such suspension or termination regardless of whether the Proceeding arises before or after such suspension or termination. The Company and Indemnitee agree that the Associated Fund is an express third party beneficiary of the terms of this Section 1(d).

2. ADDITIONAL INDEMNITY. In addition to, and without regard to any limitations on, the indemnification provided for in Section 1 of this Agreement, the Company shall and hereby does indemnify and hold harmless Indemnitee against all Expenses, judgments, penalties, fines and amounts paid in settlement actually and reasonably incurred by him or her, or on his or her behalf if, by reason of his or her Corporate Status, he or she is, or is threatened to be made, a party to or participant in any Proceeding (including a Proceeding by or in the right of the Company), including, without limitation, all liability arising out of the negligence or active or passive wrongdoing of Indemnitee. The only limitation that shall exist upon the Company's obligations pursuant to this Agreement shall be that the Company shall not be obligated to make any payment to Indemnitee that is finally determined (under the procedures, and subject to the presumptions, set forth in Sections 6 and 7 hereof) to be unlawful.

3. CONTRIBUTION.

(a) Whether or not the indemnification provided in Sections 1 and 2 hereof is available, in respect of any Proceeding in which the Company is jointly liable with Indemnitee (or would be if joined in such Proceeding), the Company shall pay, in the first instance, the entire amount of any judgment or settlement of such Proceeding without requiring Indemnitee to contribute to such payment and the Company hereby waives and relinquishes any right of contribution it may have against Indemnitee. The Company shall not enter into any settlement of any Proceeding in which the Company is jointly liable with Indemnitee (or would be if joined in such Proceeding) unless such settlement provides for a full and final release of all claims asserted against Indemnitee.

(b) Without diminishing or impairing the obligations of the Company set forth in Section 3(a), if, for any reason, Indemnitee shall elect or be required to pay all or any portion of any judgment or settlement in any Proceeding in which the Company is jointly liable with Indemnitee (or would be if joined in such Proceeding), the Company shall contribute to the amount of Expenses, judgments, fines and amounts paid in settlement actually and reasonably incurred and paid or payable by Indemnitee in proportion to the relative benefits received by the Company and all officers, directors or employees of the Company, other than Indemnitee, who are jointly liable with Indemnitee (or would be if joined in such Proceeding), on the one hand, and Indemnitee, on the other hand, from the transaction from which such Proceeding arose; provided, however, that the proportion determined on the basis of relative benefit may, to the extent necessary to conform to law, be further adjusted by reference to the relative fault of the Company and all officers, directors or employees of the Company other than Indemnitee who are

jointly liable with Indemnitee (or would be if joined in such Proceeding), on the one hand, and Indemnitee, on the other hand, in connection with the events that resulted in such expenses, judgments, fines or settlement amounts, as well as any other equitable considerations which the Law may require to be considered. The relative fault of the Company and all officers, directors or employees of the Company, other than Indemnitee, who are jointly liable with Indemnitee (or would be if joined in such Proceeding), on the one hand, and Indemnitee, on the other hand, shall be determined by reference to, among other things, the degree to which their actions were motivated by intent to gain personal profit or advantage, the degree to which their liability is primary or secondary and the degree to which their conduct is active or passive.

(c) The Company hereby agrees to fully indemnify and hold Indemnitee harmless from any claims of contribution which may be brought by officers, directors or employees of the Company, other than Indemnitee, who may be jointly liable with Indemnitee.

(d) To the fullest extent permissible under applicable law, if the indemnification provided for in this Agreement is unavailable to Indemnitee for any reason whatsoever, the Company, in lieu of indemnifying Indemnitee, shall contribute to the amount incurred by Indemnitee, whether for judgments, fines, penalties, excise taxes, amounts paid or to be paid in settlement and/or for Expenses, in connection with any claim relating to an indemnifiable event under this Agreement, in such proportion as is deemed fair and reasonable in light of all of the circumstances of such Proceeding in order to reflect: (i) the relative benefits received by the Company and Indemnitee as a result of the event(s) and/or transaction(s) giving cause to such Proceeding; and/or (ii) the relative fault of the Company (and its directors, officers, employees and agents) and Indemnitee in connection with such event(s) and/or transaction(s).

4. INDEMNIFICATION FOR EXPENSES OF A WITNESS. Notwithstanding any other provision of this Agreement, to the extent that Indemnitee is, by reason of his or her Corporate Status, a witness, or is made (or asked to) respond to discovery requests, in any Proceeding to which Indemnitee is not a party, he or she shall be indemnified against all Expenses actually and reasonably incurred by him or her, or on his or her behalf, in connection therewith.

5. ADVANCEMENT OF EXPENSES. Notwithstanding any other provision of this Agreement, the Company shall advance all Expenses incurred by or on behalf of Indemnitee in connection with any Proceeding by reason of Indemnitee's Corporate Status within thirty (30) days after the receipt by the Company of a statement or statements from Indemnitee requesting such advance or advances from time to time, whether prior to or after final disposition of such Proceeding. Such statement or statements shall reasonably evidence the Expenses incurred by Indemnitee and shall include or be preceded or accompanied by a written undertaking by or on behalf of Indemnitee to repay any Expenses advanced if it shall ultimately be determined that Indemnitee is not entitled to be indemnified against such Expenses. Any advances and undertakings to repay pursuant to this Section 5 shall be unsecured and interest free.

6. PROCEDURES AND PRESUMPTIONS FOR DETERMINING ENTITLEMENT TO INDEMNIFICATION. It is the intent of this Agreement to secure for Indemnitee rights of indemnification that are as favorable as may be permitted under applicable law. Accordingly, the parties agree that the following procedures and presumptions shall apply in the event of any question as to whether Indemnitee is entitled to indemnification under this Agreement:

(a) To obtain indemnification under this Agreement, Indemnitee shall submit to the Company a written request, including therein or therewith such documentation and information as is reasonably available to Indemnitee and is reasonably necessary to determine whether and to what extent Indemnitee is entitled to indemnification. The Secretary of the Company shall, promptly upon receipt of such a request for indemnification, advise the Board in writing that Indemnitee has requested indemnification. Notwithstanding the foregoing, any failure of Indemnitee to provide such a request to the Company, or to provide such a request in a timely fashion, shall not relieve the Company of any liability that it may have to Indemnitee unless, and to the extent that, such failure actually and materially prejudices the interests of the Company.

(b) Upon written request by Indemnitee for indemnification pursuant to the first sentence of Section 6(a) hereof, a determination with respect to Indemnitee's entitlement thereto shall be made in the specific case by one of the following four methods, which shall be at the election of the Board: (i) by a majority vote of the Disinterested Directors (as defined in Section 13(d)), even though less than a quorum; (ii) by a committee of those Disinterested Directors designated by a majority vote of the Disinterested Directors, even though less than a quorum; (iii) if there are no Disinterested Directors or if the Disinterested Directors so direct, by Independent Counsel (as defined in Section 13(h)) in a written opinion to the Board, a copy of which shall be delivered to the Indemnitee, or (iv) if so directed by the Board, by the stockholders of the Company; provided, however, that, notwithstanding the foregoing, any determination with respect to Indemnitee's entitlement to indemnification hereunder that is made at any time following the consummation of a Change in Control (as defined in Section 13(b)) that occurs at any time when the Company has a class of securities registered under the Exchange Act (as defined in Section 13(f)) or following the consummation of an IPO shall be made solely by Independent Counsel in a written opinion to the Board, a copy of which shall be delivered to the Indemnitee.

(c) If the determination of entitlement to indemnification is to be made by Independent Counsel pursuant to Section 6(b) hereof, the Independent Counsel shall be selected as provided in this Section 6(c). The Independent Counsel shall be selected by the Board. Indemnitee may, within 10 days after such written notice of selection shall have been given, deliver to the Company a written objection to such selection; provided, however, that such objection may be asserted only on the ground that the Independent Counsel so selected does not meet the requirements of "Independent Counsel" as defined in Section 13(h) of this Agreement, and the objection shall set forth with particularity the factual basis of such assertion. Absent a proper and timely objection, the person so selected shall act as Independent Counsel. If a written objection is made and substantiated, the Independent Counsel selected may not serve as Independent Counsel unless and until such objection is withdrawn or a court has determined that such objection is without merit. If, within 20 days after submission by Indemnitee of a written request for indemnification pursuant to Section 6(a) hereof, no Independent Counsel shall have been selected and not objected to, either the Company or Indemnitee may petition a court of competent jurisdiction for resolution of any objection which shall have been made by the Indemnitee to the Company's selection of Independent Counsel and/or for the appointment as Independent Counsel of a person selected by the court or by such other person as the court shall designate, and the person with respect to whom all objections are so resolved or the person so appointed shall act as Independent Counsel under Section 6(b) hereof. The Company shall pay any and all reasonable fees and expenses of Independent Counsel incurred by such Independent

Counsel in connection with acting pursuant to Section 6(b) hereof, and the Company shall pay all reasonable fees and expenses incident to the procedures of this Section 6(c), regardless of the manner in which such Independent Counsel was selected or appointed.

(d) In making a determination with respect to entitlement to indemnification hereunder, the person or persons or entity making such determination shall presume that Indemnitee is entitled to indemnification under this Agreement. Anyone seeking to overcome this presumption shall have the burden of proof and the burden of persuasion by clear and convincing evidence. Neither the failure of the Company (including by its directors or independent legal counsel) to have made a determination prior to the commencement of any action pursuant to this Agreement that indemnification is proper in the circumstances because Indemnitee has met the applicable standard of conduct, nor an actual determination by the Company (including by its directors or independent legal counsel) that Indemnitee has not met such applicable standard of conduct, shall be a defense to the action or create a presumption that Indemnitee has not met the applicable standard of conduct.

(e) Indemnitee shall be deemed to have acted in good faith if Indemnitee's action is based on the records or books of account of the Enterprise (as defined in Section 13(e)), including financial statements, or on information supplied to Indemnitee by the officers of the Enterprise in the course of their duties, or on the advice of legal counsel for the Enterprise or on information or records given or reports made to the Enterprise by an independent certified public accountant or by an appraiser or other expert selected with reasonable care by the Enterprise. In addition, the knowledge and/or actions, or failure to act, of any director, officer, agent or employee of the Enterprise shall not be imputed to Indemnitee for purposes of determining the right to indemnification under this Agreement. Whether or not the foregoing provisions of this Section 6(e) are satisfied, it shall in any event be presumed that Indemnitee has at all times acted in good faith and in a manner he or she reasonably believed to be in or not opposed to the best interests of the Company. Anyone seeking to overcome this presumption shall have the burden of proof and the burden of persuasion by clear and convincing evidence.

(f) If the person, persons or entity empowered or selected under this Section 6 to determine whether Indemnitee is entitled to indemnification shall not have made a determination within sixty (60) days after receipt by the Company of the request therefor, the requisite determination of entitlement to indemnification shall be deemed to have been made and Indemnitee shall be entitled to such indemnification absent: (i) a misstatement by Indemnitee of a material fact, or an omission of a material fact necessary to make Indemnitee's statement not materially misleading, in connection with the request for indemnification; or (ii) a prohibition of such indemnification under applicable law; provided, however, that such 60-day period may be extended for a reasonable time, not to exceed an additional thirty (30) days, if the person, persons or entity making such determination with respect to entitlement to indemnification in good faith requires such additional time to obtain or evaluate documentation and/or information relating thereto; and provided, further, that the foregoing provisions of this Section 6(f) shall not apply if the determination of entitlement to indemnification is to be made by the stockholders pursuant to Section 6(b) of this Agreement and if (A) within fifteen (15) days after receipt by the Company of the request for such determination, the Board or the Disinterested Directors, if appropriate, resolve to submit such determination to the stockholders for their consideration at an annual meeting thereof to be held within seventy-five (75) days after such receipt and such

determination is made thereat or (B) a special meeting of stockholders is called within fifteen (15) days after such receipt for the purpose of making such determination, such meeting is held for such purpose within sixty (60) days after having been so called and such determination is made thereat.

(g) Indemnitee shall cooperate with the person, persons or entity making such determination with respect to Indemnitee's entitlement to indemnification, including providing to such person, persons or entity upon reasonable advance request any documentation or information which is not privileged or otherwise protected from disclosure and which is reasonably available to Indemnitee and reasonably necessary to such determination. Any Independent Counsel, member of the Board or stockholder of the Company shall act reasonably and in good faith in making a determination regarding the Indemnitee's entitlement to indemnification under this Agreement. Any costs or expenses (including attorneys' fees and disbursements) incurred by Indemnitee in so cooperating with the person, persons or entity making such determination shall be borne by the Company (irrespective of the determination as to Indemnitee's entitlement to indemnification) and the Company hereby indemnifies and agrees to hold Indemnitee harmless therefrom.

(h) The Company acknowledges that a settlement or other disposition short of final judgment may be successful if it permits a party to avoid expense, delay, distraction, disruption and uncertainty. In the event that any Proceeding to which Indemnitee is a party is resolved in any manner other than by adverse judgment against Indemnitee (including, without limitation, settlement of such Proceeding with or without payment of money or other consideration) it shall be presumed that Indemnitee has been successful on the merits or otherwise in such Proceeding. Anyone seeking to overcome this presumption shall have the burden of proof and the burden of persuasion by clear and convincing evidence.

(i) The termination of any Proceeding or of any claim, issue or matter therein, by judgment, order, settlement or conviction, or upon a plea of nolo contendere or its equivalent, shall not (except as otherwise expressly provided in this Agreement) of itself adversely affect the right of Indemnitee to indemnification or create a presumption that Indemnitee did not act in good faith and in a manner which he or she reasonably believed to be in or not opposed to the best interests of the Company or, with respect to any criminal Proceeding, that Indemnitee had reasonable cause to believe that his or her conduct was unlawful.

7. REMEDIES OF INDEMNITEE.

(a) In the event that: (i) a determination is made pursuant to Section 6 of this Agreement that Indemnitee is not entitled to indemnification under this Agreement; (ii) advancement of Expenses is not timely made pursuant to Section 5 of this Agreement; (iii) no determination of entitlement to indemnification is made pursuant to Section 6(b) of this Agreement within ninety (90) days after receipt by the Company of the request for indemnification; (iv) payment of indemnification is not made pursuant to this Agreement within ten (10) days after receipt by the Company of a written request therefor; or (v) payment of indemnification is not made within ten (10) days after a determination has been made that Indemnitee is entitled to indemnification or such determination is deemed to have been made pursuant to Section 6 of this Agreement, Indemnitee shall be entitled to an adjudication in any

court of competent jurisdiction of Indemnitee's entitlement to such indemnification. Indemnitee shall commence such proceeding seeking an adjudication within one hundred eighty (180) days following the date on which Indemnitee first has the right to commence such proceeding pursuant to this Section 7(a). The Company shall not oppose Indemnitee's right to seek any such adjudication.

(b) In the event that a determination shall have been made pursuant to Section 6(b) of this Agreement that Indemnitee is not entitled to indemnification, any judicial proceeding commenced pursuant to this Section 7 shall be conducted in all respects as a de novo trial on the merits, and Indemnitee shall not be prejudiced by reason of the adverse determination under Section 6(b).

(c) If a determination shall have been made pursuant to Section 6(b) of this Agreement that Indemnitee is entitled to indemnification, the Company shall be bound by such determination in any judicial proceeding commenced pursuant to this Section 7, absent: (i) a misstatement by Indemnitee of a material fact or an omission of a material fact necessary to make Indemnitee's misstatement not materially misleading in connection with the application for indemnification; or (ii) a prohibition of such indemnification under applicable law.

(d) In the event that Indemnitee, pursuant to this Section 7, seeks a judicial adjudication of his or her rights under, or to recover damages for breach of, this Agreement, or to recover under any directors' and officers' liability insurance policies maintained by the Company, the Company shall pay on his or her behalf, in advance, any and all expenses (of the types described in the definition of "Expenses" in Section 13(g) of this Agreement) actually and reasonably incurred by him or her in such judicial adjudication, regardless of whether Indemnitee ultimately is determined to be entitled to such indemnification, advancement of expenses or insurance recovery.

(e) The Company shall be precluded from asserting in any judicial proceeding commenced pursuant to this Section 7 that the procedures and presumptions of this Agreement are not valid, binding and enforceable and shall stipulate in any such court that the Company is bound by all the provisions of this Agreement. The Company shall indemnify Indemnitee against any and all Expenses and, if requested by Indemnitee, shall (within ten (10) days after receipt by the Company of a written request therefor) advance, to the extent not prohibited by law, such expenses to Indemnitee, which are incurred by Indemnitee in connection with any action brought by Indemnitee for indemnification or advance of Expenses from the Company under this Agreement or under any directors' and officers' liability insurance policies maintained by the Company, regardless of whether Indemnitee ultimately is determined to be entitled to such indemnification, advancement of Expenses or insurance recovery, as the case may be.

(f) Notwithstanding anything in this Agreement to the contrary, no determination as to entitlement to indemnification under this Agreement shall be required to be made prior to the final disposition of the Proceeding.

8. NON-EXCLUSIVITY, SURVIVAL OF RIGHTS, ETC.

(a) The rights of indemnification as provided by this Agreement shall not be deemed exclusive of any other rights to which Indemnitee may at any time be entitled under applicable law, the organizational documents of the Company, any other agreement with the Company, a vote of the Company's stockholders, a resolution of the Board or otherwise. No amendment, alteration or repeal of this Agreement or of any provision hereof shall limit or restrict any right of Indemnitee under this Agreement in respect of any action taken or omitted by such Indemnitee in his or her Corporate Status prior to such amendment, alteration or repeal. To the extent that a change in any applicable law, whether by statute or judicial decision, permits greater indemnification than would be afforded currently under the Company's organizational documents and this Agreement, it is the intent of the parties hereto that Indemnitee shall enjoy by this Agreement the greater benefits so afforded by such change. No right or remedy herein conferred is intended to be exclusive of any other right or remedy, and every other right and remedy shall be cumulative and in addition to every other right and remedy given hereunder or now or hereafter existing at law or in equity or otherwise. The assertion or employment of any right or remedy hereunder, or otherwise, shall not prevent the concurrent assertion or employment of any other right or remedy.

(b) To the extent that the Company maintains an insurance policy or policies providing liability insurance for directors, officers, employees, or agents or fiduciaries of the Company or of any other Enterprise, Indemnitee shall be covered by such policy or policies in accordance with its or their terms to the maximum extent of the coverage available for any director, officer, employee, agent or fiduciary under such policy or policies. If, at the time of the receipt of a notice of a claim pursuant to the terms hereof, the Company has directors' and officers' liability insurance in effect, the Company shall give prompt notice of the commencement of such proceeding to the insurers in accordance with the procedures set forth in the respective policies. The Company shall thereafter take all necessary or desirable action to cause such insurers to pay, on behalf of the Indemnitee, all amounts payable as a result of such proceeding in accordance with the terms of such policies.

(c) The Company hereby acknowledges that Indemnitee may have certain rights to indemnification, advancement of expenses and/or insurance provided by the Associated Fund and/or certain of its affiliates (collectively, the "***Additional Indemnitors***"). The Company hereby agrees that: (i) it is the indemnitor of first resort (i.e., its obligations to Indemnitee are primary and any obligation of the Additional Indemnitors (or any insurance carrier providing insurance coverage purchased by any Additional Indemnitor) to advance expenses or to provide indemnification for the same expenses or liabilities incurred by Indemnitee are secondary); (ii) it shall be required to advance the full amount of expenses incurred by Indemnitee and shall be liable for the full amount of all Expenses, judgments, penalties, fines and amounts paid in settlement to the extent legally permitted and as required by the terms of this Agreement and the organizational documents of the Company, without regard to any rights Indemnitee may have against the Additional Indemnitors (or any insurance carrier providing insurance coverage purchased by any Additional Indemnitor); and (iii) it irrevocably waives, relinquishes and releases the Additional Indemnitors from any and all claims against the Additional Indemnitors for contribution, subrogation or any other recovery of any kind in respect thereof. The Company further agrees that no advancement or payment by the Additional Indemnitors on behalf of

Indemnitee with respect to any claim for which Indemnitee has sought indemnification from the Company shall affect the foregoing and the Additional Indemnitors shall have a right of indemnification and/or be subrogated to the full extent of such advancement or payment to all of the rights of recovery of Indemnitee against the Company. The Company and Indemnitee agree that the Additional Indemnitors are express third party beneficiaries of the terms of this Section 8(c).

(d) Except as provided in Section 8(c) above, in the event of any payment under this Agreement, the Company shall be subrogated to the extent of such payment to all of the rights of recovery of Indemnitee (other than against the Additional Indemnitors), who shall execute all papers required and take all action necessary to secure such rights, including execution of such documents as are necessary to enable the Company to bring suit to enforce such rights.

(e) Except as provided in Section 8(c) above, the Company shall not be liable under this Agreement to make any payment of amounts otherwise indemnifiable hereunder if and to the extent that Indemnitee has otherwise actually received payment of such amounts under any insurance policy, contract, other agreement or otherwise.

(f) Except as provided in Section 8(c) above, the Company's obligation to indemnify or advance Expenses hereunder to Indemnitee who is or was serving at the request of the Company as a director, officer, employee or agent of any Enterprise other than the Company shall be reduced by any amount Indemnitee has actually received as indemnification or advancement of expenses from such other Enterprise.

9. EXCEPTION TO RIGHT OF INDEMNIFICATION. Notwithstanding any provision in this Agreement, the Company shall not be obligated under this Agreement to provide any indemnification in connection with any claim made against Indemnitee: (i) for which payment has actually been made to or on behalf of Indemnitee under any insurance policy or other indemnity provision, except with respect to any excess beyond the amount paid under any insurance policy or other indemnity provision, provided that the foregoing shall not affect the rights of Indemnitee or the Additional Indemnitors set forth in Section 8(c); (ii) for an accounting of profits made from the purchase and sale (or sale and purchase) by Indemnitee of securities of the Company within the meaning of Section 16(b) of the Exchange Act or similar provisions of state statutory law or common law; or (iii) in connection with any Proceeding (or any part of any Proceeding) initiated by Indemnitee, including any Proceeding (or any part of any Proceeding) initiated by Indemnitee against the Company or its directors, officers, employees or other indemnitees, unless (A) the Board authorized the Proceeding (or any part of any Proceeding) prior to its initiation or (B) the Company provides the indemnification, in its sole discretion, pursuant to the powers vested in the Company under applicable law.

10. DURATION OF AGREEMENT. All agreements and obligations of the Company contained herein shall continue until the date that is six (6) years after the date upon which Indemnitee's Corporate Status terminates and shall continue thereafter so long as Indemnitee shall be subject to any Proceeding (or any proceeding commenced under Section 7 hereof) by reason of his or her Corporate Status, whether or not he or she is acting or serving in any such capacity at the time any liability or expense is incurred for which indemnification can be provided under this Agreement. This Agreement shall be binding upon and inure to the benefit of and be enforceable

by the parties hereto and their respective successors (including any direct or indirect successor by purchase, merger, consolidation or otherwise to all or substantially all of the business or assets of the Company), assigns, spouses, heirs, executors and personal and legal representatives.

11. SECURITY. To the extent requested by Indemnitee and approved by the Board, the Company may at any time and from time to time provide security to Indemnitee for the Company's obligations hereunder through an irrevocable bank line of credit, funded trust or other collateral. Any such security, once provided to Indemnitee, may not be revoked or released without the prior written consent of the Indemnitee.

12. ENFORCEMENT. The Company expressly confirms and agrees that it has entered into this Agreement and assumes the obligations imposed on it hereby in order to induce Indemnitee to serve as an officer or director of the Company, and the Company acknowledges that Indemnitee is relying upon this Agreement in serving as an officer or director of the Company. The Company shall not seek from a court, or agree to, a "bar order" that would have the effect of prohibiting or limiting Indemnitee's rights to receive advancement of Expenses under this Agreement.

13. DEFINITIONS. For purposes of this Agreement:

(a) "**Beneficial Owner**" shall have the meaning given to such term in Rule 13d-3 under the Exchange Act; provided, however, that Beneficial Owner shall exclude any Person otherwise becoming a Beneficial Owner by reason of the stockholders of the Company approving a merger of the Company with another entity.

(b) A "**Change in Control**" shall be deemed to occur upon the earliest to occur after the date of this Agreement of any of the following events:

(i) any Person is or becomes the Beneficial Owner, directly or indirectly, of securities of the Company representing fifteen percent (15%) or more of the combined voting power of the Company's then outstanding securities;

(ii) during any period of two (2) consecutive years (not including any period prior to the execution of this Agreement), individuals who at the beginning of such period constitute the Board, and any new director (other than a director designated by a person who has entered into an agreement with the Company to effect a transaction described in Sections 13(b)(i), (b)(iii) or (b)(iv)) whose election by the Board or nomination for election by the Company's stockholders was approved by a vote of at least two-thirds of the directors then still in office who either were directors at the beginning of the period or whose election or nomination for election was previously so approved, cease for any reason to constitute a least a majority of the members of the Board;

(iii) the effective date of a merger or consolidation of the Company with any other entity, other than a merger or consolidation which would result in the voting securities of the Company outstanding immediately prior to such merger or consolidation continuing to represent (either by remaining outstanding or by being converted into voting securities of the surviving entity) more than fifty-one percent (51%) of the combined voting power of the voting securities of the surviving entity outstanding immediately after such merger

or consolidation and with the power to elect at least a majority of the Board or other governing body of such surviving entity;

(iv) the approval by the stockholders of the Company of a complete liquidation of the Company or an agreement for the sale or disposition by the Company of all or substantially all of the Company's assets; or

(v) there occurs any other event of a nature that would be required to be reported in response to Item 6(e) of Schedule 14A of Regulation 14A (or a response to any similar item on any similar schedule or form) promulgated under the Exchange Act, whether or not the Company is then subject to such reporting requirement.

(c) "***Corporate Status***" describes the status of a person who is or was at any time (including, without limitation, any time prior to the date of this Agreement) a director, officer, employee, agent or fiduciary of the Company or of any other corporation, partnership, joint venture, trust, employee benefit plan or other enterprise that such person is or was serving at the express written request of the Company.

(d) "***Disinterested Director***" means a director of the Company who is not and was not a party to the Proceeding in respect of which indemnification is sought by Indemnitee.

(e) "***Enterprise***" shall mean the Company and any other corporation, partnership, joint venture, trust, employee benefit plan or other enterprise that Indemnitee is or was serving at the express written request of the Company as a director, officer, employee, agent or fiduciary.

(f) "***Exchange Act***" shall mean the Securities Exchange Act of 1934, as amended.

(g) "***Expenses***" shall include all reasonable attorneys' fees, retainers, court costs, transcript costs, fees of experts, witness fees, travel expenses, duplicating costs, printing and binding costs, telephone charges, postage, delivery service fees and all other disbursements or expenses of the types customarily incurred in connection with prosecuting, defending, preparing to prosecute or defend, investigating, participating, or being or preparing to be a witness in a Proceeding, or responding to, or objecting to, a request to provide discovery in any Proceeding. Expenses also shall include Expenses incurred in connection with any appeal resulting from any Proceeding and any federal, state, local or foreign taxes imposed on the Indemnitee as a result of the actual or deemed receipt of any payments under this Agreement, including without limitation the premium, security for, and other costs relating to any cost bond, supersede as bond, or other appeal bond or its equivalent. Expenses, however, shall not include amounts paid in settlement by Indemnitee or the amount of judgments or fines against Indemnitee.

(h) "***Independent Counsel***" means a law firm, or a member of a law firm, that is experienced in matters of corporation law and neither presently is, nor in the past five years has been, retained to represent: (i) the Company or Indemnitee in any matter material to either such party (other than with respect to matters concerning Indemnitee under this Agreement, or of other indemnitees under similar indemnification agreements), or (ii) any other party to the Proceeding giving rise to a claim for indemnification hereunder. Notwithstanding the foregoing, the term "Independent Counsel" shall not include any person who, under the applicable standards of professional conduct then prevailing, would have a conflict of interest in representing either

the Company or Indemnitee in an action to determine Indemnitee's rights under this Agreement. The Company agrees to pay the reasonable fees of the Independent Counsel referred to above and to fully indemnify such counsel against any and all Expenses, claims, liabilities and damages arising out of or relating to this Agreement or its engagement pursuant hereto.

(i) "***Person***" shall have the meaning as set forth in Sections 13(d) and 14(d) of the Exchange Act; provided, however, that Person shall exclude: (i) the Company; (ii) any trustee or other fiduciary holding securities under an employee benefit plan of the Company; and (iii) any corporation owned, directly or indirectly, by the stockholders of the Company in substantially the same proportions as their ownership of stock of the Company.

(j) "***Proceeding***" includes any threatened, pending or completed action, suit, arbitration, alternate dispute resolution mechanism, investigation, inquiry, administrative hearing or any other actual, threatened or completed proceeding (including one pending on or before the date of this Agreement but excluding one initiated by an Indemnitee pursuant to Section 7 of this Agreement to enforce his or her rights under this Agreement), whether brought by or in the right of the Company or otherwise and whether civil, criminal, administrative or investigative, in which Indemnitee was, is or will be involved as a party or otherwise, by reason of the fact that Indemnitee is or was an officer or director of the Company, by reason of any action taken by him or her or of any inaction on his or her part while acting as an officer or director of the Company, or by reason of the fact that he or she is or was serving at the request of the Company as a director, officer, employee, agent or fiduciary of another corporation, partnership, joint venture, trust or other Enterprise, in each case whether or not he or she is acting or serving in any such capacity at the time any liability or expense is incurred for which indemnification can be provided under this Agreement.

14. SEVERABILITY. The invalidity or unenforceability of any provision hereof shall in no way affect the validity or enforceability of any other provision. Without limiting the generality of the foregoing, this Agreement is intended to confer upon Indemnitee indemnification rights to the fullest extent permitted by applicable laws. In the event any provision hereof conflicts with any applicable law, such provision shall be deemed modified, consistent with the aforementioned intent, to the extent necessary to resolve such conflict.

15. MODIFICATION AND WAIVER. No supplement, modification, termination or amendment of this Agreement shall be binding unless executed in writing by both of the parties hereto. No waiver of any of the provisions of this Agreement shall be deemed or shall constitute a waiver of any other provisions hereof (whether or not similar) nor shall such waiver constitute a continuing waiver.

16. NOTICE BY INDEMNITEE. Indemnitee agrees to promptly notify the Company in writing upon being served with or otherwise receiving any summons, citation, subpoena, complaint, indictment, information or other document relating to any Proceeding or matter which may be subject to indemnification covered hereunder. The failure to so notify the Company shall not relieve the Company of any obligation which it may have to Indemnitee under this Agreement or otherwise unless and only to the extent that such failure or delay materially prejudices the Company.

17. NOTICES. All notices and other communications given or made pursuant to this Agreement shall be in writing and shall be deemed effectively given: (i) upon personal delivery to the party to be notified; (ii) when sent by confirmed electronic mail or facsimile if sent during normal business hours of the recipient, and if not so confirmed, then on the next business day; (iii) five (5) business days after having been sent by registered or certified mail, return receipt requested, postage prepaid; or (iv) one business (1) day after deposit with a nationally recognized overnight courier, specifying next day delivery, with written verification of receipt. All notices and other communications shall be sent:

(a) To Indemnitee at the address set forth below Indemnitee's signature hereto.

(b) To the Company at:

T2 Biosystems, Inc.
101 Hartwell Avenue
Lexington, Massachusetts 02421
Attention: Board of Directors

or to such other address as may have been furnished to Indemnitee by the Company or to the Company by Indemnitee, as the case may be.

18. HEADINGS. The headings of the paragraphs of this Agreement are inserted for convenience only and shall not be deemed to constitute part of this Agreement or to affect the construction thereof.

19. GOVERNING LAW. This Agreement and the legal relations among the parties shall be governed by, and construed and enforced in accordance with, the laws of the State of Delaware, without regard to its conflict of laws rules.

20. ENTIRE AGREEMENT. This Agreement constitutes the entire agreement between the parties hereto with respect to the subject matter hereof and supersedes all prior agreements and understandings, oral, written and implied, between the parties hereto with respect to the subject matter hereof.

21. COUNTERPARTS. This Agreement may be executed in two (2) or more counterparts, each of which shall be deemed an original, but all of which together shall constitute one and the same Agreement. This Agreement may also be executed and delivered by facsimile signature (or other similar electronic means) and in two (2) or more counterparts, each of which shall be deemed an original, but all of which together shall constitute one and the same instrument.

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IN WITNESS WHEREOF, the parties have caused this Agreement to be signed as of the day and year first above written.

T2 BIOSYSTEMS, INC.

By: _____
Name:
Title:

INDEMNITEE

By: _____
Name:
Address:

[*Signature Page to Indemnification Agreement*]

March 14, 2008

John McDonough
41 Hopestill Brown Road
Sudbury, MA 01776

Re: Employment Agreement

Dear John:

This letter is to confirm our understanding with respect to (i) your employment by T2 Biosystems, Inc., (the "Company") and (ii) your agreement not to compete with: (A) the Company, or (B) any present or future parent or subsidiary of the Company or wholly-owned affiliate thereof over which you have control, of which you have knowledge of Confidential Information (defined below), or through which you have developed goodwill (each a "Company Affiliate" and collectively, together with the Company, the "Company Group"), (the terms and conditions agreed to in this letter are hereinafter referred to as the "Agreement"). In consideration of the mutual promises and covenants contained in this Agreement, and for other good and valuable consideration, the receipt and sufficiency of which are hereby mutually acknowledged, we have agreed as follows:

1. Employment.

(a) Subject to the terms and conditions of this Agreement, the Company will employ you, and you will be employed by the Company, as Chief Executive Officer reporting only to the Board of Directors (the "Board"). You will have the responsibilities, duty and authority commensurate with the position of Chief Executive Officer. You will also perform such other services of an executive nature for the Company as may be reasonably assigned to you from time to time by the Board and agreed to by you. The principal location at which you will perform such services will be the Company's facility located at 286 Cardinal Medeiros Avenue, Cambridge, MA, 02141. During the term of your employment hereunder, the Company will ensure that you are nominated, and will use its best efforts to cause you to be elected, to serve as a Director of the Company.

(b) Devotion to Duties. For so long as you are employed hereunder, you will devote substantially all of your business time and energies to the business and affairs of the Company, provided that nothing contained in this Section 1(b) will be deemed to prevent or limit your right to manage your personal investments on your own personal time, including, without limitation, the right to make passive investments in the securities of (i) any entity which you do not control, directly or indirectly, and which does not compete with the Company, or (ii) any publicly held entity so long as your aggregate

T2Biosystems, Inc.
286 Cardinal Medeiros Avenue
Cambridge, MA 02141
t: 617 661 8282
f: 617 876 1608
www.t2biosystems.com

direct and indirect interest does not exceed five percent of the issued and outstanding securities of any class of securities of such publicly held entity.

2. Employment At-Will. Your employment hereunder commenced on November 19, 2007 (the "Commencement Date"). Your employment hereunder is on an "at-will" basis and may be terminated by the Company or by you at any time for any reason or for no reason.

3. Definitions.

(a) Definition of Change of Control. For purposes of this Agreement, a Change of Control means that any of the following events has occurred:

(i) Any person (as such term is used in Section 13(d) of the Securities Exchange Act of 1934 (the "Exchange Act")), other than the Company, any employee benefit plan of the Company or any entity organized, appointed or established by the Company for or pursuant to the terms of any such plan, together with all "affiliates" and "associates" (as such terms are defined in Rule 12b-2 under the Exchange Act) becomes the beneficial owner or owners (as defined in Rule 13d-3 and 13d-5 promulgated under the Exchange Act), directly or indirectly (the "Control Group"), of more than 50% of the outstanding equity securities of the Company, or otherwise becomes entitled, directly or indirectly, to vote more than 50% of the voting power entitled to be cast at elections for directors ("Voting Power") of the Company, provided that a Change of Control will not have occurred if such Control Group acquired securities or Voting Power solely by purchasing securities from the Company, including, without limitation, acquisition of securities by one or more third party investors such as venture capital investor(s);

(ii) A consolidation or merger (in one transaction or a series of related transactions) of the Company pursuant to which the holders of the Company's equity securities immediately prior to such transaction or series of related transactions would not be the holders, directly or indirectly, immediately after such transaction or series of related transactions of more than 50% of the Voting Power of the entity surviving such transaction or series of related transactions;

(iii) The sale, lease, exchange or other transfer (in one transaction or a series of related transactions) of all or substantially all of the assets of the Company; or

(iv) The liquidation or dissolution of the Company or the Company ceasing to do business.

(b) Definition of "Cause". For purposes of this Agreement, "Cause" means:

(i) Your conviction of a felony, either in connection with the performance of your obligations to the Company or which otherwise materially and adversely affects your ability to perform such obligations

(ii) Your willful disloyalty to the Company or deliberate material dishonesty to the Company;

(iii) The commission by you of an act of fraud or embezzlement against the Company;

(iv) Your willful, substantial failure to perform any of your duties hereunder or your deliberate failure to follow reasonable, lawful directions of the Board, either of which failure, if capable of being cured, is not cured within 30 days after delivery to you by the Company of written notice of such failure, provided that if such failure is not capable of being cured within such 30 day period, you will have one additional 30 day period to cure such failure, but only if you promptly commence and continue in good faith efforts to cure such failure; or

(v) A material breach by you of any material provision of this Agreement which breach is not cured within 30 days after delivery to you by the Company of written notice of such breach, provided that if such breach is not capable of being cured within such 30 day period, you will have a reasonable additional period to cure such breach but only if you promptly commence and continue good faith efforts to cure such breach.

Any determination under this Section 3(b) will be made by two thirds of the Board voting on such determination. With respect to any such determination, the Board will act fairly and in utmost good faith and will give you written notice within 30 days of such alleged "Cause" and give you and your counsel an opportunity to appear and be heard at a meeting of the Board and present evidence on your behalf. No act or omission on your part will be considered "willful" or "deliberate" unless done, or admitted to be done, by you in bad faith or without your reasonable belief that such act or omission was in the best interest of the Company.

(c) Definition of "Good Reason". For purposes of this Agreement, a "Good Reason" means one or more of the following:

(i) A material change in the principal location at which you provide services to the Company, without your prior written consent;

(ii) A material and continuing diminution by the Company in the duties, authority or responsibilities of your position which causes such position to become of less responsibility or authority than immediately prior to such material and continuing diminution, provided that such change is not in connection with a termination of your employment hereunder by the Company;

(iii) A change in the lines of reporting such that you no longer report to Board of Directors;

(iv) A material reduction in your base compensation or other benefits except if such a reduction is in connection with a general reduction in compensation or other benefits of all senior executives of the Company;

(v) A material breach of this Agreement by the Company; or

(vi) Failure by the Company to obtain the assumption of this Agreement by any successor to the Company.

For purposes of this Section 3(c), "Good Reason" shall only exist if you have given written notice to the Company within ninety (90) days of the initial existence of the Good Reason condition(s), and the Company has failed to cure such event(s) within thirty (30) days of its receipt of said notice.

4. Compensation.

(a) Base Salary. While you are employed hereunder, the Company will pay you a base salary at the annual rate of $300,000 (the "Base Salary"). The Base Salary may be subject to an increase from time to time in the discretion of the Company. The Base Salary will be payable in substantially equal installments in accordance with the Company's payroll practices as in effect from time to time. The Company will deduct from each such installment any amounts required to be deducted or withheld under applicable law or under any employee benefit plan in which you participate.

(b) Annual Bonus. You will be eligible to receive an annual performance bonus (the "Annual Bonus") as follows:

(i) For the period beginning on the Commencement Date and including calendar year 2008 (the "Initial Annual Bonus Period"), and provided that you continue to be employed by the Company hereunder at the time of payment, and upon the achievement of specific milestones as agreed to by you and the Board of Directors, you will be eligible to receive an Annual Bonus of up to $75,000, based on your performance and the overall performance of the Company, measured against goals that are mutually agreed upon by you and the Compensation Committee no later than March 1, 2008. You shall submit proposed performance goals for the Initial Annual Bonus Period no later than January 31, 2008, which will be reviewed and approved by the Compensation Committee of the Board in their sole discretion. The Annual Bonus for the Initial Annual Bonus Period shall be paid to you within 30 days following the one-year anniversary of the Commencement Date.

(ii) Beginning in calendar year 2009, you will be eligible to receive an Annual Bonus after the conclusion of each calendar year you are employed by the Company, in an amount which shall be determined by the Compensation Committee of the Board (or its designee), and provided that you continue to be employed by the Company hereunder at the time of payment, and upon the achievement of specific milestones as agreed to by you and the Board of Directors. The Annual Bonus shall be primarily based on your performance and

the overall performance of the Company, measured against goals that are mutually agreed upon by you and the Compensation Committee. You shall submit proposed performance goals no later than January 31 of the year to which the goals relate, which will be reviewed and approved by the Compensation Committee of the Board in their sole discretion, no later than March 1 of the year to which the goals relate. The Annual Bonus, other than as provided for in Section 4(b)(i), will be paid to you within 60 days following the close of the year to which it relates. In no event shall the Annual Bonus opportunity be less than $75,000.

(c) Equity Compensation.

(i) Restricted Share Grant. Subject to approval of the Board and approval of an increase in the number of shares of the Company's common stock (the "Common Stock") under the Company's 2006 Employee, Director and Consultant Stock Plan (the "Plan"), the Company will grant you restricted shares (the "Restricted Shares") in an amount equal to 289,098 shares, at a per share purchase price equal to the fair market value of a share of Common Stock on the date of grant, pursuant to a written restricted stock agreement between the Company and you in the form attached hereto as Exhibit 4(c)(i) (the "Restricted Stock Agreement").

(ii) Additional Equity Grant to Maintain Percentage Ownership. Promptly following the closing of the first issuance and sale of the Company's preferred equity securities after the Commencement Date with gross proceeds to the Company of not less than $5,000,000 (the "First Financing"), you will be granted additional equity awards pursuant to the Plan in an amount that will maintain your aggregate percentage ownership of the Company's equity securities of at least 5% on a fully diluted basis (the "Additional Option"). The Additional Option will be in the form of either restricted shares of Common Stock or options to purchase Common Stock, as elected by you. The per share exercise price or purchase price for the Additional Option will be the fair market value per share of the Common Stock on the date the Additional Option is granted. The Additional Option (i) will be an incentive stock option to the extent it is an option and permissible under applicable law, (ii) will otherwise be on terms and conditions substantially similar to the Restricted Shares, and (iii) will be evidenced by an agreement substantially similar to the Restricted Stock Agreement or the Company's then standard form of stock option agreement. In addition to the Additional Option, you will have the right to purchase securities issued in connection with the First Financing on the same terms, conditions and price as other investors, so that your total restricted shares, stock options and any other securities of the Company equal at least 6.5% of the total number of the fully- diluted shares of the Company's Common Stock as of the closing of the First Financing.

(iii) Vesting. Restricted Shares will vest as follows: (a) 25% of the Restricted Shares will vest on the one-year anniversary of the Commencement

Date; and (b) the remaining 75% of the Restricted Shares will vest in equal monthly installments over the 36 months following the one-year anniversary of the Commencement Date. The Additional Option will vest as follows: (a) 25% of the Additional Option will vest on the one-year anniversary of the grant date of the Additional Option; and (b) the remaining 75% of the Additional Option will vest in equal monthly installments over the 36 months following the one-year anniversary of the grant date of the Additional Option. Upon the termination of your employment hereunder for any reason, the Company will have the option, but not the obligation, to repurchase from you at a price per share equal to the applicable purchase price or exercise price, all or any of the unvested Restricted Shares or Additional Options, in accordance with the terms of the applicable restricted stock or option agreement.

(iv) Effect of Change of Control. In the event of a (a) Change of Control (as defined in Section 3(a)) of the Company while you continue to be employed by the Company and (b) your employment with the Company is terminated by the Company without Cause (as defined in Section 3(b)), or by you for a Good Reason (as defined in Section 3(c)) within twelve (12) months after the date of the Change of Control, your unvested Restricted Shares and Additional Options will become fully vested and, if applicable, exercisable and, the Company's lapsing repurchase right, if any, will terminate with respect to those shares of Common Stock.

(d) Vacation. You will be entitled to paid vacation of not less than four (4) weeks in each calendar year and paid holidays and personal days in accordance with the Company's policies for its senior executives as in effect from time to time.

(e) Fringe Benefits. You will be entitled to participate in the same manner as other senior executives of the Company in any employee benefit plans which the Company provides or may establish for the benefit of its senior executives generally (including, without limitation, group life, disability, medical, dental and other insurance, tax benefit and planning services, 401(k), retirement, pension, profit-sharing and similar plans) (collectively, the "Fringe Benefits"), provided that the Fringe Benefits will not include any stock option or similar plans relating to the grant of equity securities of the Company.

(f) Reimbursement of Expenses. The Company will reimburse you for all ordinary and reasonable out-of-pocket business expenses that are incurred by you in furtherance of the Company's business in accordance with the Company's policies with respect thereto as in effect from time to time. All reimbursements shall be made promptly, and in any event, no later than the

end of the calendar year following the calendar year in which such expense is incurred.

(g) Indemnification. The Company will defend and indemnify you, to the extent permitted by its charter and by-laws and by applicable law, against all liabilities, fines, penalties, costs, charges and expenses, including, without limitation, reasonable attorneys' fees, incurred or sustained by you in connection with any action, suit or proceeding to which

you may be made a party by reason of being an officer, director or employee of the Company. In connection with the foregoing, you will be covered under any liability insurance policy that protects other employees, directors or officers of the Company.

5. Prohibited Competition

(a) Certain Acknowledgements and Agreements.

(i) We have discussed, and you recognize and acknowledge the competitive and proprietary aspects of the business of the Company Group as currently conducted or as contemplated to be conducted.

(ii) You acknowledge that a business will be deemed competitive with the Company Group if it performs any of the services or manufactures or sells any of the products provided, offered, produced, manufactured, distributed, sold, or under development by the Company Group during your employment hereunder.

(iii) You agree and understand that nothing in this Agreement shall confer any right with respect to continuation of service by the Company, nor shall it interfere in any way with your status as an at will employee or the Company's right to terminate its relationship with you at any time, with or without cause.

(iv) You further acknowledge that, during the course of your performing services for the Company Group, the Company Group will furnish, disclose or make available to you Confidential Information (as defined below) related to the Company Group's business and that the Company Group may provide you with unique and specialized training. You also acknowledge that such Confidential Information and such training have been developed and will be developed by the Company Group through the expenditure by the Company Group of substantial time, effort and money and that all such Confidential Information and training could be used by you to compete with the Company Group. Further, in the course of your provision of services to the Company Group, you will be introduced to customers and others with important relationships to the Company Group. You acknowledge that any and all "goodwill" created through such introductions belongs exclusively to the Company Group, including, without limitation, any goodwill created as a result of direct or indirect contacts or relationships between you and any customers of the Company Group.

(v) For purposes of this Agreement, "Confidential Information" means any technical or business information furnished by the Company to the Recipient in connection with the proposed business relationship that is not in the public forum or available to the public, regardless of whether such information is specifically designated as confidential and regardless of whether such information is in written, oral, electronic, or other form. Such Confidential Information may include, without limitation, trade secrets, know-how, inventions, technical data or specifications, testing methods, business or financial information, research and

development activities, product and marketing plans, and customer and supplier information. The availability of technology for acquisition or outlicensing from various institutions with which the Company Group contemplates initiating discussions shall be deemed Confidential Information. The term "trade secrets," as used in this Agreement, will be given its broadest possible interpretation under the law of the Commonwealth of Massachusetts and will include, without limitation, anything tangible or intangible or electronically kept or stored, which constitutes, represents, evidences or records or any secret scientific, technical, merchandising, production or management information, or any design, process, procedure, formula, invention, improvement or other confidential or proprietary information or documents.

(b) Non-Competition; Non-Solicitation. During the period in which you perform services for or at the request of the Company as an employee or independent contractor and for a period of one (1) year following the termination of your provision of services to the Company as an employee or independent contractor for any reason or for no reason you will not, without the prior written consent of the Company Group:

(i) For yourself or on behalf of any other person or entity, directly or indirectly, either as principal, partner, stockholder, officer, director, member, employee, consultant, agent, representative or in any other capacity, own, manage, operate or control, or be concerned, connected or employed by, or otherwise associate in any manner with, engage in, or have a financial interest in, any business which is directly competitive with the business of the Company Group (each, a "Restricted Activity"), except that (A) nothing contained herein will preclude you from purchasing or owning securities of any such business if such securities are publicly traded, and provided that your holdings do not exceed five percent of the issued and outstanding securities of any class of securities of such business, and (B) nothing contained herein will prevent you from engaging in a Restricted Activity for or with respect to any subsidiary, division or affiliate or unit (each, a "Unit") of an entity if that Unit is not engaged in any business which is competitive with the business of the Company Group, irrespective of whether some other Unit of such entity engages in such competition (as long as you do not engage in a Restricted Activity for such other Unit); or

(ii) Either individually or on behalf of or through any third party, directly or indirectly, solicit, divert or appropriate or attempt to solicit, divert or appropriate, for the purpose of competing with the Company Group, any customers or patrons of the Company Group, or any prospective customers or patrons with respect to which the Company Group has developed or made a sales presentation (or similar offering of services); or

(iii) Either individually or on behalf of or through any third party, directly or indirectly, (A) solicit, entice or persuade or attempt to solicit, entice or persuade any other employees of or consultants to the Company Group to leave the services of the Company Group for any reason, or (B) employ, cause to be

employed, or solicit the employment of any employee of or consultant to the Company Group while any such person is providing services to the Company Group or within six months after any such person ceases providing services to the Company Group; or

(iv) Either individually or on behalf of or through any third party, directly or indirectly, interfere with or attempt to interfere with, the relations between the Company Group and any vendor or supplier to the Company Group.

(c) Reasonableness of Restrictions. You further recognize and acknowledge that (i) the types of activities which are prohibited by this Section 5 are narrow and reasonable in relation to the skills which represent your principal salable asset both to the Company Group and to your other prospective employers, (ii) the restrictions are for a reasonable time period, and (iii) the scope of the provisions of this Section 5 is reasonable, legitimate and fair to you in light of the Company Group's need to market its services and sell its products in a large geographic area in order to have a sufficient customer base to make the Company Group's business profitable and in light of the limited restrictions on the type of activities prohibited herein compared to the types of employment for which you are qualified to earn your livelihood.

(d) Survival of Acknowledgements and Agreements. Your acknowledgements and agreements set forth in this Section 5 will survive the termination of your provision of services to the Company for any reason or for no reason.

6. Severance Compensation.

(a) Definition of Accrued Obligations. For purposes of this Agreement, "Accrued Obligations" means (i) the portion of your Base Salary as has accrued prior to any termination of your employment with the Company and has not yet been paid, (ii) an amount equal to the value of your accrued unused vacation days, and (iii) the amount of any expenses properly incurred by you on behalf of the Company prior to any such termination and not yet reimbursed.

(b) Termination by the Company without Cause or by you with Good Reason in Connection with a Change of Control. If your employment hereunder is terminated either by you with Good Reason, within twelve (12) months following a Change of Control, or by the Company without Cause within three (3) months preceding or within twelve (12) months following a Change of Control:

(i) The Company will pay the Accrued Obligations to you promptly *(i.e.*, within fifteen (15) days) following such termination.

(ii) The Company will pay you severance in an amount equal to twelve (12) months of your then current Base Salary, payable in equal installments over a period of twelve (12) months in accordance with the Company's payroll practice, commencing on your termination of employment.

(iii) The Company will pay you fifty percent (50%) of the maximum amount of the Annual Bonus which could have been earned if such termination had not occurred, payable in a single lump sum payment on March 15 of the year following the year in which your termination of employment occurred.

(c) Termination by the Company without Cause. If your employment hereunder is terminated by the Company without Cause:

(i) The Company will pay the Accrued Obligations to you promptly *(i.e.*, within fifteen (15) days) following such termination.

(ii) The Company will pay you severance in an amount equal to six (6) months of your then current Base Salary, payable in equal installments over a period of six (6) months in accordance with the Company's payroll practice, commencing on your termination of employment.

(iii) The Company will pay you fifty percent (50%) of the maximum amount of the Annual Bonus which could have been earned if such termination had not occurred, payable in a single lump sum payment on March 15 of the year following the year in which your termination of employment occurred.

(d) Termination by the Company with Cause. If your employment hereunder is terminated by the Company with Cause, the Company will pay you the Accrued Obligations promptly following such termination.

(e) No Duty to Mitigate. Notwithstanding any other provision of this Agreement, (i) you will have no obligation to mitigate your damages for any breach of this Agreement by the Company or for any termination of this Agreement, whether by seeking employment or otherwise and (ii) the amount of any benefit due to you after the date of such termination pursuant to this Agreement will not be reduced or offset by any payment or benefit that you may receive from any other source.

(f) If at the time a payment is to be made under this Agreement, it is determined that you are a "specified employee" of the Company (within the meaning of Code Section 409A, as amended, and any successor statute, regulation and guidance thereto) and further determined that such payment does not fall within an exclusion or exemption to Section 409A, then limited only to the extent necessary to comply with the requirements of Code Section 409A, any payments to which you may become entitled under this Section 6 which are subject to Code Section 409A (and not otherwise exempt from its application) will be withheld until the first (1st) business day of the seventh (7th) month following the termination of employment, at which time you shall be paid an aggregate amount equal to the accumulated, but unpaid, payments otherwise due to you under the terms of this Section 6.

7. Records. Upon termination of your employment hereunder for any reason or for no reason, you will deliver to the Company any property of the Company which may be in your possession, including products, materials, memoranda, notes, records, reports or other documents or photocopies of the same.

8. Insurance. The Company, in its sole discretion, may apply for and purchase key person life insurance on your life in an amount determined by the Company with the Company as beneficiary. You will submit to any medical or other examinations and to execute and deliver any applications or other instruments in writing that are reasonably necessary to effectuate such insurance.

9. General.

(a) Notices. All notices, requests, consents and other communications hereunder will be in writing, will be addressed to the receiving party's address set forth above or to such other address as a party may designate by notice hereunder, and will be either (i) delivered by hand, (ii) sent by overnight courier, or (iii) sent by registered or certified mail, return receipt requested, postage prepaid. All notices, requests, consents and other communications hereunder will be deemed to have been given either (i) if by hand, at the time of the delivery thereof to the receiving party at the address of such party set forth above, (ii) if sent by overnight courier, on the next business day following the day such notice is delivered to the courier service, or (iii) if sent by registered or certified mail, on the fifth business day following the day such mailing is made.

(b) Entire Agreement. This Agreement, together with the Proprietary Information, Invention Assignment Agreement, the Restricted Stock Agreement and the other agreements specifically referred to herein, embodies the entire agreement and understanding between the parties hereto with respect to the subject matter hereof and supersedes all prior oral or written agreements and understandings relating to the subject matter hereof. No statement, representation, warranty, covenant or agreement of any kind not expressly set forth in this Agreement will affect, or be used to interpret, change or restrict, the express terms and provisions of this Agreement.

(c) Modifications and Amendments. The terms and provisions of this Agreement may be modified or amended only by written agreement executed by the parties hereto. Any such amendment shall comply with the requirements of Code Section 409A, if applicable.

The parties hereto intend that this Agreement comply with the requirements of Section 409A of the Code and related regulations and Treasury pronouncements. If any provision provided herein would result in the imposition of an additional tax under the provisions of Section 409A, you and the Company agree that any such provision will be reformed, if possible of reformation, to avoid imposition of any such additional tax in the manner that the you and the Company mutually agree is appropriate to comply with Section 409A, provided that no such amendment will cause increased liability for the Company

(d) Waivers and Consents. The terms and provisions of this Agreement may be waived, or consent for the departure therefrom granted, only by written document executed by the party entitled to the benefits of such terms or provisions. No such waiver or consent will be deemed to be or will constitute a waiver or consent with respect to any other terms or provisions of this Agreement, whether or not similar. Each such waiver or

consent will be effective only in the specific instance and for the purpose for which it was given, and will not constitute a continuing waiver or consent.

(e) Assignment. The Company may assign its rights and obligations hereunder to any person or entity that succeeds to all or substantially all of the Company's business or that aspect of the Company's business in which you are principally involved. You may not assign your rights and obligations under this Agreement without the prior written consent of the Company.

(f) Benefit. All statements, representations, warranties, covenants and agreements in this Agreement will be binding on the parties hereto and will inure to the benefit of the respective successors and permitted assigns of each party hereto. Nothing in this Agreement will be construed to create any rights or obligations except among the parties hereto, and no person or entity will be regarded as a third-party beneficiary of this Agreement.

(g) Governing Law. This Agreement and the rights and obligations of the parties hereunder will be construed in accordance with and governed by the law of the Commonwealth of Massachusetts, without giving effect to the conflict of law principles thereof.

(h) Jurisdiction, Venue and Service of Process. Any legal action or proceeding with respect to this Agreement that is not subject to arbitration pursuant to Section 9(i) below will be brought in the courts of the Commonwealth of Massachusetts or of the United States of America for the District of Massachusetts. By execution and delivery of this Agreement, each of the parties hereto accepts for itself and in respect of its property, generally and unconditionally, the exclusive jurisdiction of the aforesaid courts.

(i) Arbitration. Any controversy, dispute or claim arising out of or in connection with this Agreement, other than a controversy, dispute or claim arising under Section 5 hereof, will be settled by final and binding arbitration to be conducted in the Commonwealth of Massachusetts pursuant to the national rules for the resolution of employment disputes of the American Arbitration Association then in effect. The decision or award in any such arbitration will be final and binding upon the parties and judgment upon such decision or award may be entered in any court of competent jurisdiction or application may be made to any such court for judicial acceptance of such decision or award and an order of enforcement. In the event that any procedural matter is not covered by the aforesaid rules, the procedural law of the Commonwealth of Massachusetts will govern. If you prevail in any such arbitration, the Company shall pay you fifty percent (50%) of your reasonable attorneys' fees and costs incurred by you in said arbitration.

(j) Severability. The parties intend this Agreement to be enforced as written. However, (i) if any portion or provision of this Agreement is to any extent be declared illegal or unenforceable by a duly authorized court having jurisdiction, then the remainder of this Agreement, or the application of such portion or provision in circumstances other than those as to which it

is so declared illegal or unenforceable, will

not be affected thereby, and each portion and provision of this Agreement will be valid arid enforceable to the fullest extent permitted by law and (ii) if any provision, or part thereof, is held to be unenforceable because of the duration of such provision, the geographic area covered thereby, or other aspect of the scope of such provision, the court making such determination will have the power to reduce the duration, geographic area of such provision, or other aspect of the scope of such provision, and/or to delete specific words and phrases ("blue-penciling"), and in its reduced or blue-penciled form, such provision will then be enforceable and will be enforced.

(k) Headings and Captions. The headings and captions of the various subdivisions of this Agreement are for convenience of reference only and will in no way modify or affect the meaning or construction of any of the terms or provisions hereof

(l) No Waiver of Rights, Powers and Remedies. No failure or delay by a party hereto in exercising any right, power or remedy under this Agreement, and no course of dealing between the parties hereto, will operate as a waiver of any such right, power or remedy of the party. No single or partial exercise of any right, power or remedy under this Agreement by a party hereto, nor any abandonment or discontinuance of steps to enforce any such right, power or remedy, will preclude such party from any other or further exercise thereof or the exercise of any other right, power or remedy hereunder. The election of any remedy by a party hereto will not constitute a waiver of the right of such party to pursue other available remedies. No notice to or demand on a party not expressly required under this Agreement will entitle the party receiving such notice or demand to any other or further notice or demand in similar or other circumstances or constitute a waiver of the rights of the party giving such notice or demand to any other or further action in any circumstances without such notice or demand.

(m) Counterparts. This Agreement may be executed in two or more counterparts, and by different parties hereto on separate counterparts, each of which will be deemed an original, but all of which together will constitute one and the same instrument.

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If the foregoing accurately sets forth our agreement, please so indicate by signing and returning to us the enclosed copy of this letter.

Very truly yours,

T2 Biosystems, Inc.

By: /s/ Noubar Afeyan
Name: Noubar Afeyan
Title:

Accepted and Approved:

/s/ John McDonough
John McDonough

John McDonough
Printed Name

3-17-2008
Date

T2 BIOSYSTEMS, INC.

July 22, 2014

John McDonough
41 Hopestill Brown Road
Sudbury, MA 01776

Dear John,

Reference is hereby made to the letter employment agreement, dated as of March 14, 2008, by and between T2 Biosystems, Inc. (the "Company") and you (the "Agreement"). Effective upon the closing of the Company's initial public offering of common stock, the Agreement shall be amended as follows.

1. The first sentence of Section 4(a) of the Agreement is hereby amended and restated in its entirety to read as follows:

"(a) Base Salary. While you are employed hereunder, the Company will pay you a base salary at the annual rate of $425,000 (the "Base Salary")."

2. Section 4(b)(ii) of the Agreement is hereby amended by deleting the final sentence of such Section in its entirety and substituting the following in lieu thereof:

"The target amount of the Annual Bonus shall be 50% of the Base Salary, subject to adjustment by the Board or a committee thereof."

3. Section 6(b) of the Agreement is hereby amended and restated in its entirety to read as follows:

"(b) Termination by the Company without Cause or by you with Good Reason in Connection with a Change of Control. If your employment hereunder is terminated either by you with Good Reason within twelve (12) months following a Change of Control, or by the Company without Cause within three (3) months preceding or within twelve (12) months following a Change of Control, subject to your executing and delivering to the Company, and not revoking, a release of claims in a form acceptable to the Company (the "Release") within the 30-day period following your termination of employment:

(i) The Company will pay the Accrued Obligations to you promptly (*i.e.*, within fifteen (15) days) following such termination;

(ii) The Company will pay you severance in an amount equal to eighteen (18) months of your then current Base Salary, payable in equal installments over a period of eighteen (18) months (the "Severance Period") in accordance with the Company's payroll practices, commencing on your termination of employment;

(iii) The Company will pay you the target amount of your Annual Bonus for the year in which your termination of employment occurs, payable in a single lump sum payment no later than March 15 of the year following the year in which your termination of employment occurred, provided that for purposes of this clause (iii), whether a Change of Control has occurred shall be determined without regard to clause (iv) of the definition of Change of Control in Section 3(a);

(iv) all of the outstanding unvested equity awards of the Company held by you shall become fully vested and, if applicable, exercisable as of the date of your termination, provided that with respect to any such awards intended to constitute "qualified performance based compensation" under Section 162(m) of the Code, whether a Change of Control has occurred shall be determined without regard to clause (iv) of the definition of Change of Control in Section 3(a); and

(v) If you timely elect continued group medical insurance coverage pursuant to the Consolidated Omnibus Budget Reconciliation Act of 1985, as amended ("COBRA"), the Company will reimburse you for a portion of the applicable premiums, based on the then current cost-sharing rates for active employees, for you and your eligible dependents during the period commencing on the date of your termination of employment and ending on the earliest to occur of (a) the final day of the Severance Period, (b) the date you and/or your eligible dependents are no longer eligible for COBRA, and (c) the date you become eligible to receive medical insurance coverage from a subsequent employer (and you agree to notify the Company of such eligibility). Notwithstanding the foregoing, if the Company determines that it cannot provide such reimbursement of premiums to you without potentially violating applicable law, the Company shall in lieu thereof provide to you a taxable monthly payment in an amount equal to a portion of the applicable premiums, based on then-current cost-sharing rates for active employees, which payment will be made regardless of whether you elect COBRA continuation coverage and will commence in the month following the month in which your termination of employment occurs and end on the earliest to occur of (x) the final day of the Severance Period, (y) the date you and/or your eligible dependents are no longer eligible for COBRA, and (z) the date you become eligible to receive medical insurance coverage from a subsequent employer (and you agree to notify the Company of such eligibility).

Notwithstanding anything herein to the contrary, in the event that any compensation or benefit that constitutes "nonqualified deferred compensation" within the meaning of Section 409A (as defined below) becomes payable under this Section 6(b) upon the occurrence of a Change of Control, such compensation or benefit shall not be paid unless such Change of Control constitutes a "change in control event" within the meaning of Section 409A."

4. Section 6(f) of the CEO Agreement is deleted in its entirety.

5. The following is inserted as a new Section 10 of the CEO Agreement:

"10. Section 409A.

(a) *General.* The intent of the parties is that the payments and benefits under this Agreement comply with or be exempt from Section 409A of the Internal Revenue Code of 1986, as amended, and the regulations and guidance promulgated thereunder (collectively, "Section 409A") and, accordingly, to the maximum extent permitted, this Agreement shall be interpreted to be in compliance therewith.

(b) *Separation from Service.* Notwithstanding anything in this Agreement to the contrary, any compensation or benefit payable under this Agreement that is designated as payable upon your termination of employment shall be payable only upon your "separation from service" with the Company within the meaning of Section 409A (a "Separation from Service") and, except as provided below, any such compensation or benefits that is payable under Section 6(b) shall not be paid, or, in the case of installments, shall not commence payment, until the thirtieth (30th) day following your Separation from Service. Any such payments that would have been made to you during the thirty (30) day period immediately following your Separation from Service but for the preceding sentence shall be paid to you on the thirtieth (30th) day following your Separation from Service and the remaining payments shall be made as provided under this Agreement.

(c) *Specified Employee.* Notwithstanding anything in this Agreement to the contrary, if you are deemed by the Company at the time of your Separation from Service to be a "specified employee" for purposes of Section 409A, to the extent delayed commencement of any portion of the benefits to which you are entitled under this Agreement is required in order to avoid a prohibited distribution under Section 409A, such portion of your benefits shall not be provided to you prior to the earlier of (i) the expiration of the six-month period measured from the date of your Separation from Service with the Company or (ii) the date of your death. Upon the first business day following the expiration of the applicable Section 409A period, all payments deferred pursuant to the preceding sentence shall be paid in a lump-sum to you (or your estate or beneficiaries), and any remaining payments due to you under this Agreement shall be paid as otherwise provided herein.

(d) *Expense Reimbursements.* To the extent that any reimbursements under this Agreement are subject to Section 409A, any such reimbursements payable to you shall be paid to you no later than December 31 of the year following the year in which the expense was incurred; provided, that you submit your reimbursement request promptly following the date the expense is incurred, the amount of expenses reimbursed in one year shall not affect the amount eligible for reimbursement in any subsequent year, other than medical expenses referred to in

Section 105(b) of the Code, and your right to reimbursement under this Agreement will not be subject to liquidation or exchange for another benefit.

(e) *Installments.* Your right to receive any installment payments under this Agreement, including without limitation any continuation salary payments that are payable on Company payroll dates, shall be treated as a right to receive a series of separate payments and, accordingly, each such installment payment shall at all times be considered a separate and distinct payment as permitted under Section 409A. Except as otherwise permitted under Section 409A, no payment hereunder shall be accelerated or deferred unless such acceleration or deferral would not result in additional tax or interest pursuant to Section 409A."

In the event that the closing of the Company's initial public offering of common stock does not occur for any reason prior to January 1, 2015, this letter agreement shall be null and void. Except as expressly set forth in this letter, the Agreement shall remain unchanged and shall continue in full force and effect according to its respective terms. This letter may be executed in counterparts, each of which shall be deemed an original, but all of which together will constitute one and the same instrument.

Sincerely,

T2 BIOSYSTEMS, INC.

By: /s/ Marc Jones
Name: Marc Jones
Title: Chief Financial Officer

Acknowledged and Agreed

/s/ John McDonough
John McDonough

Exhibit 10.6

T2 BIOSYSTEMS, INC.

July 22, 2014

Marc R. Jones
14 Sutherland Drive
Hudson, NH 03051

Dear Marc,

This letter sets forth the agreement between you and T2 Biosystems, Inc. (the "Company") regarding certain terms and conditions of your employment. Effective upon the closing of the initial public offering of the Company's common stock, you will be entitled to receive the following:

1. Base Salary. During the term of your employment with the Company, the Company will pay you a base salary at the rate of $300,000 per annum ("Base Salary"), payable in accordance with the Company's payroll practices as in effect from time to time. The Base Salary may be subject to adjustment from time to time in the discretion of the Board of Directors or a committee thereof (the "Board"). The Company will be entitled to deduct from each such installment any amount required to be deducted or withheld under the applicable law or under any employee benefit plan in which you participate.

2. Annual Bonus. During the term of your employment with the Company, you will be eligible to receive an annual bonus (the "Annual Bonus") based upon the achievement of specific milestones as determined by the Board. The target amount of your Annual Bonus will be 40% of your Base Salary, subject to adjustment by the Board. Payment of the Annual Bonus will in all events be subject to your continued employment with the Company through the date of payment.

3. Severance Compensation. If your employment is terminated either by you with Good Reason within 12 months following a Change of Control, or by the Company without Cause within 3 months preceding or within 12 months following a Change of Control, subject to your executing and delivering to the Company, and not revoking, a release of claims in a form acceptable to the Company (the "Release") within the 30-day period following your termination of employment:

(a) the Company will pay you severance in an amount equal to 12 months of your then current Base Salary, payable in equal installments over a period of 12 months (the "Severance Period") in accordance with the Company's payroll practices, commencing on your termination of employment;

(b) if you have been continuously employed by the Company for at least one year as of the date your employment terminates, all of the outstanding unvested equity awards of the Company held by you shall become fully vested and, if applicable, exercisable as of the date of your termination, provided that with respect to any such awards intended to constitute

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"qualified performance based compensation" under Section 162(m) of the Code, whether a Change of Control has occurred shall be determined without regard to clause (iv) of the definition of Change of Control below; and

(c) If you timely elect continued group medical insurance coverage pursuant to the Consolidated Omnibus Budget Reconciliation Act of 1985, as amended ("COBRA"), the Company will reimburse you for a portion of the applicable premiums, based on the then-current cost-sharing rates for active employees, for you and your eligible dependents during the period commencing on the date of your termination of employment and ending on the earliest to occur of (a) the final day of the Severance Period, (b) the date you and/or your eligible dependents are no longer eligible for COBRA, and (c) the date you become eligible to receive medical insurance coverage from a subsequent employer (and you agree to notify the Company of such eligibility). Notwithstanding the foregoing, if the Company determines that it cannot provide such reimbursement of premiums to you without potentially violating applicable law, the Company shall in lieu thereof provide to you a taxable monthly payment in an amount equal to a portion of the applicable premiums, based on then-current cost-sharing rates for active employees, which payment will be made regardless of whether you elect COBRA continuation coverage and will commence in the month following the month in which your termination of employment occurs and end on the earliest to occur of (x) the final day of the Severance Period, (y) the date you and/or your eligible dependents are no longer eligible for COBRA, and (z) the date you become eligible to receive medical insurance coverage from a subsequent employer (and you agree to notify the Company of such eligibility).

Notwithstanding anything herein to the contrary, in the event that any compensation or benefit that constitutes "nonqualified deferred compensation" within the meaning of Section 409A (as defined below) becomes payable upon the occurrence of a Change of Control, such compensation or benefit shall not be paid unless such Change of Control constitutes a "change in control event" within the meaning of Section 409A.

4. Definitions. For purposes of this letter, the terms "Change of Control," "Cause," and "Good Reason" shall have the following meanings.

(a) "Change of Control" means that any of the following events has occurred:

(i) Any person (as such term is used in Section 13(d) of the Securities Exchange Act of 1934 (the "Exchange Act")), other than the Company, any employee benefit plan of the Company, or any entity organized, appointed, or established by the Company for or pursuant to the terms of any such plan, together with all "affiliates" and "associates" (as such terms are defined in Rule 12b-2 under the Exchange Act) becomes the beneficial owner or owners (as defined in Rule 13d-3 and 13d-5 promulgated under the Exchange Act), directly or indirectly (the "Control Group"), of more than 50% of the outstanding equity securities of the Company, or otherwise becomes entitled, directly or indirectly, to vote more than 50% of the voting power entitled to be cast at elections for directors ("Voting Power") of the Company, provided that a Change of Control will not have occurred if such Control Group acquired securities or Voting Power solely by

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purchasing securities from the Company, including, without limitation, acquisition of securities by one or more third party investors;

(ii) A consolidation or merger (in one transaction or a series of related transactions) of the Company pursuant to which the holders of the Company's equity securities immediately prior to such transaction or series of related transactions cease to be the holders, directly or indirectly, immediately after such transaction or series of related transactions of more than 50% of the Voting Power of the entity surviving such transaction or series of related transactions;

(iii) The sale, lease, exchange, or other transfer (in one transaction or series of related transactions) of all or substantially all of the assets of the Company; or

(iv) The liquidation or dissolution of the Company or the Company ceasing to do business.

(b) "Cause" means:

(i) Your conviction of a felony, either in connection with the performance of your obligations to the Company or which otherwise materially and adversely affects your ability to perform such obligations;

(ii) Your willful disloyalty to the Company or deliberate material dishonesty to the Company;

(iii) The commission by you of an act of fraud or embezzlement against the Company;

(iv) Your willful, substantial failure to perform any of your duties hereunder or your deliberate failure to follow reasonable, lawful directions of the Board, which failure, if capable of being cured, is not cured within 30 days after delivery to you by the Company of written notice of such failure; or

(v) A material breach by you of any material provision of this letter which breach is not cured within 30 days after delivery to you by the Company of written notice of such breach.

(c) "Good Reason" means one or more of the following:

(i) A material change in the principal location at which you provide services to the Company, without your prior written consent;

(ii) A material and continuing diminution by the Company in the duties, authority or responsibilities of your position which causes such position to become of less responsibility or authority than immediately prior to such material and

continuing diminution, provided that such change is not in connection with a termination of your employment hereunder by the Company;

(iii) A material reduction in your Base Salary or other benefits except if such a reduction is in connection with a general reduction in compensation or other benefits of all similarly situated employees of the Company;

(iv) Failure by the Company to obtain the assumption of this Agreement by any successor to the Company.

Notwithstanding the foregoing, Good Reason shall only exist if you have given written notice to the Company within 90 days of the initial existence of the Good Reason condition(s), and the Company has failed to cure such event(s) within 30 days of its receipt of said notice.

5. Section 409A.

(a) *Separation from Service*. Notwithstanding anything in this letter to the contrary, any compensation or benefit payable under this letter that is designated as payable upon your termination of employment shall be payable only upon your "separation from service" with the Company (a "Separation from Service") within the meaning of Section 409A of the Internal Revenue Code of 1986, as amended, and the regulations and guidance promulgated thereunder (collectively, "Section 409A"), and except as provided below, any such compensation or benefits shall not be paid, or, in the case of installments, shall not commence payment, until the 30th day following your Separation from Service. Any installment payments that would have been made to you during the 30 day period immediately following your Separation from Service but for the preceding sentence shall be paid to you on the 30th day following your Separation from Service and the remaining payments shall be made as provided in this letter.

(b) *Specified Employee*. Notwithstanding anything in this letter to the contrary, if you are deemed by the Company at the time of your Separation from Service to be a "specified employee" for purposes of Section 409A, to the extent delayed commencement of any portion of the benefits to which you are entitled under this letter is required in order to avoid a prohibited distribution under Section 409A, such portion of your benefits shall not be provided to you prior to the earlier of (i) the expiration of the six-month period measured from the date of your Separation from Service with the Company or (ii) the date of your death. Upon the first business day following the expiration of the applicable Section 409A period, all payments deferred pursuant to the preceding sentence shall be paid in a lump-sum to you (or your estate or beneficiaries), and any remaining payments due to you under this letter shall be paid as otherwise provided herein.

(c) *Installments*. Your right to receive any installment payments under this letter shall be treated as a right to receive a series of separate payments and, accordingly, each such installment payment shall at all times be considered a separate and distinct payment as permitted under Section 409A. Except as otherwise permitted under Section 409A, no payment hereunder shall be accelerated or deferred unless such acceleration or deferral would not result in additional tax or interest pursuant to Section 409A.

6. General

(a) No provision of this letter shall be modified, waived or discharged unless the modification, waiver or discharge is agreed to in writing and signed by you and by an authorized officer of the Company (other than you). No waiver by either party of any breach of, or of compliance with, any condition or provision of this letter by the other party shall be considered a waiver of any other condition or provision or of the same condition or provision at another time. The validity, interpretation, construction and performance of this letter shall be governed by the laws of the Commonwealth of Massachusetts without regard to conflicts of law. The invalidity or unenforceability of any provision or provisions of this letter shall not affect the validity or enforceability of any other provision hereof, which shall remain in full force and effect. This letter may be executed in counterparts, each of which shall be deemed an original, but all of which together will constitute one and the same instrument.

(b) This letter contains the entire and exclusive agreement between the parties with respect to the subject matter hereof and is intended to supersede and replace all previous agreements, negotiations, and representations between the parties, whether written or oral, including any provision of the employment offer letter agreement between you and the Company, dated as of March 8, 2013, to the extent such letter addresses the subject matter hereof.

(c) In the event that the closing of the Company's initial public offering of common stock does not occur for any reason prior to January 1, 2015, this letter agreement shall be null and void.

Sincerely,

T2 BIOSYSTEMS, INC.

By: /s/ John McDonough
Name: John McDonough
Title: Chief Executive Officer & President

Acknowledged and Agreed

/s/ Marc R. Jones
Marc R. Jones

T2 BIOSYSTEMS, INC.

July 22, 2014

Sarah O. Kalil
7 Fairway Drive
Stow, MA 01775

Dear Sarah,

This letter sets forth the agreement between you and T2 Biosystems, Inc. (the "Company") regarding certain terms and conditions of your employment. Effective upon the closing of the initial public offering of the Company's common stock, you will be entitled to receive the following:

1. Base Salary. During the term of your employment with the Company, the Company will pay you a base salary at the rate of $325,000 per annum ("Base Salary"), payable in accordance with the Company's payroll practices as in effect from time to time. The Base Salary may be subject to adjustment from time to time in the discretion of the Board of Directors or a committee thereof (the "Board"). The Company will be entitled to deduct from each such installment any amount required to be deducted or withheld under the applicable law or under any employee benefit plan in which you participate.

2. Annual Bonus. During the term of your employment with the Company, you will be eligible to receive an annual bonus (the "Annual Bonus") based upon the achievement of specific milestones as determined by the Board. The target amount of your Annual Bonus will be 40% of your Base Salary, subject to adjustment by the Board. Payment of the Annual Bonus will in all events be subject to your continued employment with the Company through the date of payment.

3. Severance Compensation. If your employment is terminated either by you with Good Reason within 12 months following a Change of Control, or by the Company without Cause within 3 months preceding or within 12 months following a Change of Control, subject to your executing and delivering to the Company, and not revoking, a release of claims in a form acceptable to the Company (the "Release") within the 30-day period following your termination of employment:

(a) the Company will pay you severance in an amount equal to 12 months of your then current Base Salary, payable in equal installments over a period of 12 months (the "Severance Period") in accordance with the Company's payroll practices, commencing on your termination of employment;

(b) if you have been continuously employed by the Company for at least one year as of the date your employment terminates, all of the outstanding unvested equity awards of the Company held by you shall become fully vested and, if applicable, exercisable as of the date of your termination, provided that with respect to any such awards intended to constitute

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"qualified performance based compensation" under Section 162(m) of the Code, whether a Change of Control has occurred shall be determined without regard to clause (iv) of the definition of Change of Control below; and

(c) If you timely elect continued group medical insurance coverage pursuant to the Consolidated Omnibus Budget Reconciliation Act of 1985, as amended ("COBRA"), the Company will reimburse you for a portion of the applicable premiums, based on the then-current cost-sharing rates for active employees, for you and your eligible dependents during the period commencing on the date of your termination of employment and ending on the earliest to occur of (a) the final day of the Severance Period, (b) the date you and/or your eligible dependents are no longer eligible for COBRA, and (c) the date you become eligible to receive medical insurance coverage from a subsequent employer (and you agree to notify the Company of such eligibility). Notwithstanding the foregoing, if the Company determines that it cannot provide such reimbursement of premiums to you without potentially violating applicable law, the Company shall in lieu thereof provide to you a taxable monthly payment in an amount equal to a portion of the applicable premiums, based on then-current cost-sharing rates for active employees, which payment will be made regardless of whether you elect COBRA continuation coverage and will commence in the month following the month in which your termination of employment occurs and end on the earliest to occur of (x) the final day of the Severance Period, (y) the date you and/or your eligible dependents are no longer eligible for COBRA, and (z) the date you become eligible to receive medical insurance coverage from a subsequent employer (and you agree to notify the Company of such eligibility).

Notwithstanding anything herein to the contrary, in the event that any compensation or benefit that constitutes "nonqualified deferred compensation" within the meaning of Section 409A (as defined below) becomes payable upon the occurrence of a Change of Control, such compensation or benefit shall not be paid unless such Change of Control constitutes a "change in control event" within the meaning of Section 409A.

4. Definitions. For purposes of this letter, the terms "Change of Control," "Cause," and "Good Reason" shall have the following meanings.

(a) "Change of Control" means that any of the following events has occurred:

(i) Any person (as such term is used in Section 13(d) of the Securities Exchange Act of 1934 (the "Exchange Act")), other than the Company, any employee benefit plan of the Company, or any entity organized, appointed, or established by the Company for or pursuant to the terms of any such plan, together with all "affiliates" and "associates" (as such terms are defined in Rule 12b-2 under the Exchange Act) becomes the beneficial owner or owners (as defined in Rule 13d-3 and 13d-5 promulgated under the Exchange Act), directly or indirectly (the "Control Group"), of more than 50% of the outstanding equity securities of the Company, or otherwise becomes entitled, directly or indirectly, to vote more than 50% of the voting power entitled to be cast at elections for directors ("Voting Power") of the Company, provided that a Change of Control will not have occurred if such Control Group acquired securities or Voting Power solely by

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purchasing securities from the Company, including, without limitation, acquisition of securities by one or more third party investors;

(ii) A consolidation or merger (in one transaction or a series of related transactions) of the Company pursuant to which the holders of the Company's equity securities immediately prior to such transaction or series of related transactions cease to be the holders, directly or indirectly, immediately after such transaction or series of related transactions of more than 50% of the Voting Power of the entity surviving such transaction or series of related transactions;

(iii) The sale, lease, exchange, or other transfer (in one transaction or series of related transactions) of all or substantially all of the assets of the Company; or

(iv) The liquidation or dissolution of the Company or the Company ceasing to do business.

(b) "Cause" means:

(i) Your conviction of a felony, either in connection with the performance of your obligations to the Company or which otherwise materially and adversely affects your ability to perform such obligations;

(ii) Your willful disloyalty to the Company or deliberate material dishonesty to the Company;

(iii) The commission by you of an act of fraud or embezzlement against the Company;

(iv) Your willful, substantial failure to perform any of your duties hereunder or your deliberate failure to follow reasonable, lawful directions of the Board, which failure, if capable of being cured, is not cured within 30 days after delivery to you by the Company of written notice of such failure; or

(v) A material breach by you of any material provision of this letter which breach is not cured within 30 days after delivery to you by the Company of written notice of such breach.

(c) "Good Reason" means one or more of the following:

(i) A material change in the principal location at which you provide services to the Company, without your prior written consent;

(ii) A material and continuing diminution by the Company in the duties, authority or responsibilities of your position which causes such position to become of less responsibility or authority than immediately prior to such material and

continuing diminution, provided that such change is not in connection with a termination of your employment hereunder by the Company;

(iii) A material reduction in your Base Salary or other benefits except if such a reduction is in connection with a general reduction in compensation or other benefits of all similarly situated employees of the Company;

(iv) Failure by the Company to obtain the assumption of this Agreement by any successor to the Company.

Notwithstanding the foregoing, Good Reason shall only exist if you have given written notice to the Company within 90 days of the initial existence of the Good Reason condition(s), and the Company has failed to cure such event(s) within 30 days of its receipt of said notice.

5. Section 409A.

(a) *Separation from Service*. Notwithstanding anything in this letter to the contrary, any compensation or benefit payable under this letter that is designated as payable upon your termination of employment shall be payable only upon your "separation from service" with the Company (a "Separation from Service") within the meaning of Section 409A of the Internal Revenue Code of 1986, as amended, and the regulations and guidance promulgated thereunder (collectively, "Section 409A"), and except as provided below, any such compensation or benefits shall not be paid, or, in the case of installments, shall not commence payment, until the 30th day following your Separation from Service. Any installment payments that would have been made to you during the 30 day period immediately following your Separation from Service but for the preceding sentence shall be paid to you on the 30th day following your Separation from Service and the remaining payments shall be made as provided in this letter.

(b) *Specified Employee*. Notwithstanding anything in this letter to the contrary, if you are deemed by the Company at the time of your Separation from Service to be a "specified employee" for purposes of Section 409A, to the extent delayed commencement of any portion of the benefits to which you are entitled under this letter is required in order to avoid a prohibited distribution under Section 409A, such portion of your benefits shall not be provided to you prior to the earlier of (i) the expiration of the six-month period measured from the date of your Separation from Service with the Company or (ii) the date of your death. Upon the first business day following the expiration of the applicable Section 409A period, all payments deferred pursuant to the preceding sentence shall be paid in a lump-sum to you (or your estate or beneficiaries), and any remaining payments due to you under this letter shall be paid as otherwise provided herein.

(c) *Installments*. Your right to receive any installment payments under this letter shall be treated as a right to receive a series of separate payments and, accordingly, each such installment payment shall at all times be considered a separate and distinct payment as permitted under Section 409A. Except as otherwise permitted under Section 409A, no payment hereunder shall be accelerated or deferred unless such acceleration or deferral would not result in additional tax or interest pursuant to Section 409A.

6. General

(a) No provision of this letter shall be modified, waived or discharged unless the modification, waiver or discharge is agreed to in writing and signed by you and by an authorized officer of the Company (other than you). No waiver by either party of any breach of, or of compliance with, any condition or provision of this letter by the other party shall be considered a waiver of any other condition or provision or of the same condition or provision at another time. The validity, interpretation, construction and performance of this letter shall be governed by the laws of the Commonwealth of Massachusetts without regard to conflicts of law. The invalidity or unenforceability of any provision or provisions of this letter shall not affect the validity or enforceability of any other provision hereof, which shall remain in full force and effect. This letter may be executed in counterparts, each of which shall be deemed an original, but all of which together will constitute one and the same instrument.

(b) This letter contains the entire and exclusive agreement between the parties with respect to the subject matter hereof and is intended to supersede and replace all previous agreements, negotiations, and representations between the parties, whether written or oral, including any provision of the employment offer letter agreement between you and the Company, dated as of July 19, 2013, to the extent such letter addresses the subject matter hereof.

(c) In the event that the closing of the Company's initial public offering of common stock does not occur for any reason prior to January 1, 2015, this letter agreement shall be null and void.

Sincerely,

T2 BIOSYSTEMS, INC.

By: /s/ John McDonough
Name: John McDonough
Title: Chief Executive Officer & President

Acknowledged and Agreed

/s/ Sarah O. Kalil
Sarah O. Kalil

Exhibit 10.8

T2 BIOSYSTEMS, INC.

July 22, 2014

Michael A. Pfaller, M.D.
1060 Paroda Avenue
Cedar Key, FL 32625

Dear Michael,

This letter sets forth the agreement between you and T2 Biosystems, Inc. (the "Company") regarding certain terms and conditions of your employment. Effective upon the closing of the initial public offering of the Company's common stock, you will be entitled to receive the following:

1. Base Salary. During the term of your employment with the Company, the Company will pay you a base salary at the rate of $325,000 per annum ("Base Salary"), payable in accordance with the Company's payroll practices as in effect from time to time. The Base Salary may be subject to adjustment from time to time in the discretion of the Board of Directors or a committee thereof (the "Board"). The Company will be entitled to deduct from each such installment any amount required to be deducted or withheld under the applicable law or under any employee benefit plan in which you participate.

2. Annual Bonus. During the term of your employment with the Company, you will be eligible to receive an annual bonus (the "Annual Bonus") based upon the achievement of specific milestones as determined by the Board. The target amount of your Annual Bonus will be 40% of your Base Salary, subject to adjustment by the Board. Payment of the Annual Bonus will in all events be subject to your continued employment with the Company through the date of payment.

3. Severance Compensation. If your employment is terminated either by you with Good Reason within 12 months following a Change of Control, or by the Company without Cause within 3 months preceding or within 12 months following a Change of Control, subject to your executing and delivering to the Company, and not revoking, a release of claims in a form acceptable to the Company (the "Release") within the 30-day period following your termination of employment:

(a) the Company will pay you severance in an amount equal to 12 months of your then current Base Salary, payable in equal installments over a period of 12 months (the "Severance Period") in accordance with the Company's payroll practices, commencing on your termination of employment;

(b) if you have been continuously employed by the Company for at least one year as of the date your employment terminates, all of the outstanding unvested equity awards of the Company held by you shall become fully vested and, if applicable, exercisable as of the date of your termination, provided that with respect to any such awards intended to constitute

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"qualified performance based compensation" under Section 162(m) of the Code, whether a Change of Control has occurred shall be determined without regard to clause (iv) of the definition of Change of Control below; and

(c) If you timely elect continued group medical insurance coverage pursuant to the Consolidated Omnibus Budget Reconciliation Act of 1985, as amended ("COBRA"), the Company will reimburse you for a portion of the applicable premiums, based on the then-current cost-sharing rates for active employees, for you and your eligible dependents during the period commencing on the date of your termination of employment and ending on the earliest to occur of (a) the final day of the Severance Period, (b) the date you and/or your eligible dependents are no longer eligible for COBRA, and (c) the date you become eligible to receive medical insurance coverage from a subsequent employer (and you agree to notify the Company of such eligibility). Notwithstanding the foregoing, if the Company determines that it cannot provide such reimbursement of premiums to you without potentially violating applicable law, the Company shall in lieu thereof provide to you a taxable monthly payment in an amount equal to a portion of the applicable premiums, based on then-current cost-sharing rates for active employees, which payment will be made regardless of whether you elect COBRA continuation coverage and will commence in the month following the month in which your termination of employment occurs and end on the earliest to occur of (x) the final day of the Severance Period, (y) the date you and/or your eligible dependents are no longer eligible for COBRA, and (z) the date you become eligible to receive medical insurance coverage from a subsequent employer (and you agree to notify the Company of such eligibility).

Notwithstanding anything herein to the contrary, in the event that any compensation or benefit that constitutes "nonqualified deferred compensation" within the meaning of Section 409A (as defined below) becomes payable upon the occurrence of a Change of Control, such compensation or benefit shall not be paid unless such Change of Control constitutes a "change in control event" within the meaning of Section 409A.

4. Definitions. For purposes of this letter, the terms "Change of Control," "Cause," and "Good Reason" shall have the following meanings.

(a) "Change of Control" means that any of the following events has occurred:

(i) Any person (as such term is used in Section 13(d) of the Securities Exchange Act of 1934 (the "Exchange Act")), other than the Company, any employee benefit plan of the Company, or any entity organized, appointed, or established by the Company for or pursuant to the terms of any such plan, together with all "affiliates" and "associates" (as such terms are defined in Rule 12b-2 under the Exchange Act) becomes the beneficial owner or owners (as defined in Rule 13d-3 and 13d-5 promulgated under the Exchange Act), directly or indirectly (the "Control Group"), of more than 50% of the outstanding equity securities of the Company, or otherwise becomes entitled, directly or indirectly, to vote more than 50% of the voting power entitled to be cast at elections for directors ("Voting Power") of the Company, provided that a Change of Control will not have occurred if such Control Group acquired securities or Voting Power solely by

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purchasing securities from the Company, including, without limitation, acquisition of securities by one or more third party investors;

(ii) A consolidation or merger (in one transaction or a series of related transactions) of the Company pursuant to which the holders of the Company's equity securities immediately prior to such transaction or series of related transactions cease to be the holders, directly or indirectly, immediately after such transaction or series of related transactions of more than 50% of the Voting Power of the entity surviving such transaction or series of related transactions;

(iii) The sale, lease, exchange, or other transfer (in one transaction or series of related transactions) of all or substantially all of the assets of the Company; or

(iv) The liquidation or dissolution of the Company or the Company ceasing to do business.

(b) "Cause" means:

(i) Your conviction of a felony, either in connection with the performance of your obligations to the Company or which otherwise materially and adversely affects your ability to perform such obligations;

(ii) Your willful disloyalty to the Company or deliberate material dishonesty to the Company;

(iii) The commission by you of an act of fraud or embezzlement against the Company;

(iv) Your willful, substantial failure to perform any of your duties hereunder or your deliberate failure to follow reasonable, lawful directions of the Board, which failure, if capable of being cured, is not cured within 30 days after delivery to you by the Company of written notice of such failure; or

(v) A material breach by you of any material provision of this letter which breach is not cured within 30 days after delivery to you by the Company of written notice of such breach.

(c) "Good Reason" means one or more of the following:

(i) A material change in the principal location at which you provide services to the Company, without your prior written consent;

(ii) A material and continuing diminution by the Company in the duties, authority or responsibilities of your position which causes such position to become of less responsibility or authority than immediately prior to such material and

continuing diminution, provided that such change is not in connection with a termination of your employment hereunder by the Company;

(iii) A material reduction in your Base Salary or other benefits except if such a reduction is in connection with a general reduction in compensation or other benefits of all similarly situated employees of the Company;

(iv) Failure by the Company to obtain the assumption of this Agreement by any successor to the Company.

Notwithstanding the foregoing, Good Reason shall only exist if you have given written notice to the Company within 90 days of the initial existence of the Good Reason condition(s), and the Company has failed to cure such event(s) within 30 days of its receipt of said notice.

5. Section 409A.

(a) *Separation from Service*. Notwithstanding anything in this letter to the contrary, any compensation or benefit payable under this letter that is designated as payable upon your termination of employment shall be payable only upon your "separation from service" with the Company (a "Separation from Service") within the meaning of Section 409A of the Internal Revenue Code of 1986, as amended, and the regulations and guidance promulgated thereunder (collectively, "Section 409A"), and except as provided below, any such compensation or benefits shall not be paid, or, in the case of installments, shall not commence payment, until the 30th day following your Separation from Service. Any installment payments that would have been made to you during the 30 day period immediately following your Separation from Service but for the preceding sentence shall be paid to you on the 30th day following your Separation from Service and the remaining payments shall be made as provided in this letter.

(b) *Specified Employee*. Notwithstanding anything in this letter to the contrary, if you are deemed by the Company at the time of your Separation from Service to be a "specified employee" for purposes of Section 409A, to the extent delayed commencement of any portion of the benefits to which you are entitled under this letter is required in order to avoid a prohibited distribution under Section 409A, such portion of your benefits shall not be provided to you prior to the earlier of (i) the expiration of the six-month period measured from the date of your Separation from Service with the Company or (ii) the date of your death. Upon the first business day following the expiration of the applicable Section 409A period, all payments deferred pursuant to the preceding sentence shall be paid in a lump-sum to you (or your estate or beneficiaries), and any remaining payments due to you under this letter shall be paid as otherwise provided herein.

(c) *Installments*. Your right to receive any installment payments under this letter shall be treated as a right to receive a series of separate payments and, accordingly, each such installment payment shall at all times be considered a separate and distinct payment as permitted under Section 409A. Except as otherwise permitted under Section 409A, no payment hereunder shall be accelerated or deferred unless such acceleration or deferral would not result in additional tax or interest pursuant to Section 409A.

6. General

(a) No provision of this letter shall be modified, waived or discharged unless the modification, waiver or discharge is agreed to in writing and signed by you and by an authorized officer of the Company (other than you). No waiver by either party of any breach of, or of compliance with, any condition or provision of this letter by the other party shall be considered a waiver of any other condition or provision or of the same condition or provision at another time. The validity, interpretation, construction and performance of this letter shall be governed by the laws of the Commonwealth of Massachusetts without regard to conflicts of law. The invalidity or unenforceability of any provision or provisions of this letter shall not affect the validity or enforceability of any other provision hereof, which shall remain in full force and effect. This letter may be executed in counterparts, each of which shall be deemed an original, but all of which together will constitute one and the same instrument.

(b) This letter contains the entire and exclusive agreement between the parties with respect to the subject matter hereof and is intended to supersede and replace all previous agreements, negotiations, and representations between the parties, whether written or oral, including any provision of the employment offer agreement between you and the Company, executed by you on February 15, 2014, to the extent such letter addresses the subject matter hereof.

(c) In the event that the closing of the Company's initial public offering of common stock does not occur for any reason prior to January 1, 2015, this letter agreement shall be null and void.

Sincerely,

T2 BIOSYSTEMS, INC.

By: /s/ John McDonough
Name: John McDonough
Title: Chief Executive Officer & President

Acknowledged and Agreed

/s/ Michael A. Pfaller, M.D.
Michael A. Pfaller, M.D.

Exhibit 10.9

T2 BIOSYSTEMS, INC.

July 22, 2014

Thomas J. Lowery, Ph.D.
2616 Telegraph Avenue, #305
Berkeley, CA 94704

Dear Thomas,

This letter sets forth the agreement between you and T2 Biosystems, Inc. (the "Company") regarding certain terms and conditions of your employment. Effective upon the closing of the initial public offering of the Company's common stock, you will be entitled to receive the following:

1. Base Salary. During the term of your employment with the Company, the Company will pay you a base salary at the rate of $325,000 per annum ("Base Salary"), payable in accordance with the Company's payroll practices as in effect from time to time. The Base Salary may be subject to adjustment from time to time in the discretion of the Board of Directors or a committee thereof (the "Board"). The Company will be entitled to deduct from each such installment any amount required to be deducted or withheld under the applicable law or under any employee benefit plan in which you participate.

2. Annual Bonus. During the term of your employment with the Company, you will be eligible to receive an annual bonus (the "Annual Bonus") based upon the achievement of specific milestones as determined by the Board. The target amount of your Annual Bonus will be 40% of your Base Salary, subject to adjustment by the Board. Payment of the Annual Bonus will in all events be subject to your continued employment with the Company through the date of payment.

3. Severance Compensation. If your employment is terminated either by you with Good Reason within 12 months following a Change of Control, or by the Company without Cause within 3 months preceding or within 12 months following a Change of Control, subject to your executing and delivering to the Company, and not revoking, a release of claims in a form acceptable to the Company (the "Release") within the 30-day period following your termination of employment:

(a) the Company will pay you severance in an amount equal to 12 months of your then current Base Salary, payable in equal installments over a period of 12 months (the "Severance Period") in accordance with the Company's payroll practices, commencing on your termination of employment;

(b) if you have been continuously employed by the Company for at least one year as of the date your employment terminates, all of the outstanding unvested equity awards of the Company held by you shall become fully vested and, if applicable, exercisable as of the date of your termination, provided that with respect to any such awards intended to constitute

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"qualified performance based compensation" under Section 162(m) of the Code, whether a Change of Control has occurred shall be determined without regard to clause (iv) of the definition of Change of Control below; and

(c) If you timely elect continued group medical insurance coverage pursuant to the Consolidated Omnibus Budget Reconciliation Act of 1985, as amended ("COBRA"), the Company will reimburse you for a portion of the applicable premiums, based on the then-current cost-sharing rates for active employees, for you and your eligible dependents during the period commencing on the date of your termination of employment and ending on the earliest to occur of (a) the final day of the Severance Period, (b) the date you and/or your eligible dependents are no longer eligible for COBRA, and (c) the date you become eligible to receive medical insurance coverage from a subsequent employer (and you agree to notify the Company of such eligibility). Notwithstanding the foregoing, if the Company determines that it cannot provide such reimbursement of premiums to you without potentially violating applicable law, the Company shall in lieu thereof provide to you a taxable monthly payment in an amount equal to a portion of the applicable premiums, based on then-current cost-sharing rates for active employees, which payment will be made regardless of whether you elect COBRA continuation coverage and will commence in the month following the month in which your termination of employment occurs and end on the earliest to occur of (x) the final day of the Severance Period, (y) the date you and/or your eligible dependents are no longer eligible for COBRA, and (z) the date you become eligible to receive medical insurance coverage from a subsequent employer (and you agree to notify the Company of such eligibility).

Notwithstanding anything herein to the contrary, in the event that any compensation or benefit that constitutes "nonqualified deferred compensation" within the meaning of Section 409A (as defined below) becomes payable upon the occurrence of a Change of Control, such compensation or benefit shall not be paid unless such Change of Control constitutes a "change in control event" within the meaning of Section 409A.

4. Definitions. For purposes of this letter, the terms "Change of Control," "Cause," and "Good Reason" shall have the following meanings.

(a) "Change of Control" means that any of the following events has occurred:

(i) Any person (as such term is used in Section 13(d) of the Securities Exchange Act of 1934 (the "Exchange Act")), other than the Company, any employee benefit plan of the Company, or any entity organized, appointed, or established by the Company for or pursuant to the terms of any such plan, together with all "affiliates" and "associates" (as such terms are defined in Rule 12b-2 under the Exchange Act) becomes the beneficial owner or owners (as defined in Rule 13d-3 and 13d-5 promulgated under the Exchange Act), directly or indirectly (the "Control Group"), of more than 50% of the outstanding equity securities of the Company, or otherwise becomes entitled, directly or indirectly, to vote more than 50% of the voting power entitled to be cast at elections for directors ("Voting Power") of the Company, provided that a Change of Control will not have occurred if such Control Group acquired securities or Voting Power solely by

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purchasing securities from the Company, including, without limitation, acquisition of securities by one or more third party investors;

(ii) A consolidation or merger (in one transaction or a series of related transactions) of the Company pursuant to which the holders of the Company's equity securities immediately prior to such transaction or series of related transactions cease to be the holders, directly or indirectly, immediately after such transaction or series of related transactions of more than 50% of the Voting Power of the entity surviving such transaction or series of related transactions;

(iii) The sale, lease, exchange, or other transfer (in one transaction or series of related transactions) of all or substantially all of the assets of the Company; or

(iv) The liquidation or dissolution of the Company or the Company ceasing to do business.

(b) "Cause" means:

(i) Your conviction of a felony, either in connection with the performance of your obligations to the Company or which otherwise materially and adversely affects your ability to perform such obligations;

(ii) Your willful disloyalty to the Company or deliberate material dishonesty to the Company;

(iii) The commission by you of an act of fraud or embezzlement against the Company;

(iv) Your willful, substantial failure to perform any of your duties hereunder or your deliberate failure to follow reasonable, lawful directions of the Board, which failure, if capable of being cured, is not cured within 30 days after delivery to you by the Company of written notice of such failure; or

(v) A material breach by you of any material provision of this letter which breach is not cured within 30 days after delivery to you by the Company of written notice of such breach.

(c) "Good Reason" means one or more of the following:

(i) A material change in the principal location at which you provide services to the Company, without your prior written consent;

(ii) A material and continuing diminution by the Company in the duties, authority or responsibilities of your position which causes such position to become of less responsibility or authority than immediately prior to such material and

continuing diminution, provided that such change is not in connection with a termination of your employment hereunder by the Company;

(iii) A material reduction in your Base Salary or other benefits except if such a reduction is in connection with a general reduction in compensation or other benefits of all similarly situated employees of the Company;

(iv) Failure by the Company to obtain the assumption of this Agreement by any successor to the Company.

Notwithstanding the foregoing, Good Reason shall only exist if you have given written notice to the Company within 90 days of the initial existence of the Good Reason condition(s), and the Company has failed to cure such event(s) within 30 days of its receipt of said notice.

5. Section 409A.

(a) *Separation from Service*. Notwithstanding anything in this letter to the contrary, any compensation or benefit payable under this letter that is designated as payable upon your termination of employment shall be payable only upon your "separation from service" with the Company (a "Separation from Service") within the meaning of Section 409A of the Internal Revenue Code of 1986, as amended, and the regulations and guidance promulgated thereunder (collectively, "Section 409A"), and except as provided below, any such compensation or benefits shall not be paid, or, in the case of installments, shall not commence payment, until the 30th day following your Separation from Service. Any installment payments that would have been made to you during the 30 day period immediately following your Separation from Service but for the preceding sentence shall be paid to you on the 30th day following your Separation from Service and the remaining payments shall be made as provided in this letter.

(b) *Specified Employee*. Notwithstanding anything in this letter to the contrary, if you are deemed by the Company at the time of your Separation from Service to be a "specified employee" for purposes of Section 409A, to the extent delayed commencement of any portion of the benefits to which you are entitled under this letter is required in order to avoid a prohibited distribution under Section 409A, such portion of your benefits shall not be provided to you prior to the earlier of (i) the expiration of the six-month period measured from the date of your Separation from Service with the Company or (ii) the date of your death. Upon the first business day following the expiration of the applicable Section 409A period, all payments deferred pursuant to the preceding sentence shall be paid in a lump-sum to you (or your estate or beneficiaries), and any remaining payments due to you under this letter shall be paid as otherwise provided herein.

(c) *Installments*. Your right to receive any installment payments under this letter shall be treated as a right to receive a series of separate payments and, accordingly, each such installment payment shall at all times be considered a separate and distinct payment as permitted under Section 409A. Except as otherwise permitted under Section 409A, no payment hereunder shall be accelerated or deferred unless such acceleration or deferral would not result in additional tax or interest pursuant to Section 409A.

6. General

(a) No provision of this letter shall be modified, waived or discharged unless the modification, waiver or discharge is agreed to in writing and signed by you and by an authorized officer of the Company (other than you). No waiver by either party of any breach of, or of compliance with, any condition or provision of this letter by the other party shall be considered a waiver of any other condition or provision or of the same condition or provision at another time. The validity, interpretation, construction and performance of this letter shall be governed by the laws of the Commonwealth of Massachusetts without regard to conflicts of law. The invalidity or unenforceability of any provision or provisions of this letter shall not affect the validity or enforceability of any other provision hereof, which shall remain in full force and effect. This letter may be executed in counterparts, each of which shall be deemed an original, but all of which together will constitute one and the same instrument.

(b) This letter contains the entire and exclusive agreement between the parties with respect to the subject matter hereof and is intended to supersede and replace all previous agreements, negotiations, and representations between the parties, whether written or oral, including any provision of the employment offer letter agreement between you and the Company, dated as of December 19, 2006, to the extent such letter addresses the subject matter hereof.

(c) In the event that the closing of the Company's initial public offering of common stock does not occur for any reason prior to January 1, 2015, this letter agreement shall be null and void.

Sincerely,

T2 BIOSYSTEMS, INC.

By: /s/ John McDonough
Name: John McDonough
Title: Chief Executive Officer & President

Acknowledged and Agreed

/s/ Thomas J. Lowery, Ph.D.
Thomas J. Lowery, Ph.D.

BIOPLEX SYSTEMS, INC.
343 Otis Street
West Newton, MA 02465

July 20, 2006

Dr. Robert Langer
98 Montvale Road
Newton, MA 02459

Dear Dr. Langer:

We are pleased that you have agreed to become a consultant to **Bioplex Systems, Inc.** This Agreement is made as of the date written above (the "Effective Date") between Bioplex Systems, Inc., a Delaware corporation (the "Company") and Dr. Langer, at Massachusetts Institute of Technology (the "Institution"). This letter is to confirm our understanding with respect to (i) your rendering services as a consultant to the Company and (ii) your agreement to protect and preserve information and property which is confidential and proprietary to the Company or other third parties with whom the Company does business (the terms and conditions agreed to in this letter shall hereinafter be referred to as the "Agreement"). In consideration of the mutual promises and covenants contained in this Agreement, and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, we have agreed as follows:

1. Services. You agree to render services to the Company as an independent contractor to, and not as an employee of, the Company. You shall provide services to the Company as may be reasonably requested by the Company.

You acknowledge and agree that you will be an independent contractor for all purposes including, but not limited to, payroll and tax purposes, and that you shall not represent yourself to be an employee or officer of the Company unless so designated by a written agreement signed by the Company.

2. Acknowledgments.

(a) The Company acknowledges that you are an employee of the Institution and are subject to the Institution's policies, including policies concerning consulting, conflicts of interest and intellectual property, and that your obligations under the Institution's policies take priority over any obligations you may have to the Company by reason of this Agreement. The Company further acknowledges and agrees that, except as set forth in Section 11, nothing in this Agreement shall affect your obligations to perform research on behalf of the Institution.

(b) You acknowledge and agree that during the course of performing services for the Company, the Company will furnish, disclose or make available to you confidential and proprietary information related to the Company's business. You also acknowledge that such confidential information to be provided by the Company has been developed and will be developed by the Company through the expenditure by the Company of substantial time, effort and money and that all such confidential information could be used by you to compete with the Company.

(c) You further recognize and acknowledge the competitive and proprietary nature of the Company's business operations. You acknowledge and agree that a business will be deemed competitive with the Company if it engages in a line of business in which it performs or plans to perform any of the services, or researches, develops, manufactures or sells any products provided or offered by the Company or planned or under development by the Company in the Company's Field of Interest. The term "Company's Field of Interest" means products and strategies relating to the research, manufacture, and sale of in vitro diagnostics (detection) products and services and device sensors for in vivo use that utilize nanoparticle-based nuclear magnetic resonance ("NMR") methods.

3. Confidentiality; Protected Information.

(a) You may disclose to the Company any information that you would normally freely disclose to other members of the scientific community at large, whether by publication, by presentation at seminars, or in informal scientific discussions. However, you shall not disclose to the Company information that is proprietary to the Institution and that is not in the public domain other than through formal technology transfer procedures.

(b) You shall at all times, both during and after any termination of this Agreement by either the Company or you, maintain in confidence and shall not, without the prior written consent of the Company, use, except in the course of performance of your duties for the Company as a consultant hereunder, disclose, or give to others any fact or information which was disclosed to or developed by you during the course of performing services for the Company hereunder, and which is not in the public domain, including but not limited to information and facts concerning business plans, customers, future customers, suppliers, licensors, licensees, partners, investors, affiliates or other, training methods and materials, financial information, sales prospects, client lists, Inventions (as defined in Section 4), or any other scientific, technical, trade or business secret or product development plan or confidential or proprietary information of the Company or of any third party provided to you in the course of your consultancy to the Company. You also agree not to file patent applications based on the Company's technology or confidential information, nor seek to make improvements thereon, whether in your laboratories at the Institution or elsewhere, without the Company's prior written approval. You agree not to make any copies of such confidential or proprietary information of the Company (except when appropriate for the furtherance of the business of the Company or duly and specifically authorized to do so) and promptly upon request, whether during or after the term of this Agreement, to return to the Company any and all documentary, machine-readable or other elements or evidence of such confidential or proprietary information, and any copies that may be in your possession or under your control. In the event you are questioned by anyone not

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employed by the Company, in regard to any such information or any other secret or confidential work of the Company, or concerning any fact or circumstance relating thereto, you will promptly notify the President of the Company.

(c) Such confidential or proprietary information subject to Section 3(b) does not include information generated solely by you unless the information (i) is generated as a direct result of the performance of consulting services under this Agreement and (ii) is not generated in the course of your activities as an employee of the Institution.

4. Ownership of Ideas, Copyrights and Patents.

(a) You agree that all ideas, discoveries, creations, materials, compounds, manuscripts and properties, innovations, improvements, know-how, inventions, designs, developments, apparatus, techniques, algorithms, software, mask works, methods, and formulae made, developed or improved by you in the Company's Field of Interest whether or not reduced to practice and whether patentable, copyrightable, protectable as mask works or not, which you may conceive, reduce to practice or develop during the Term (as defined in Section 6) and for a period of one (1) year thereafter, alone or in conjunction with another, or others, and whether at the request or upon the suggestion of the Company, or otherwise, which (i) you develop as a direct result of performing consulting services for the Company under this Agreement and (ii) is not generated in the course of your activities as an employee of the Institution and is not owned by the Institution (all of the foregoing being hereinafter referred to as the "Inventions"), shall be the sole and exclusive property of the Company, and that you shall not publish any of the Inventions without the prior written consent of the Company. You hereby assign to the Company all of your right, title and interest in and to all Inventions. You agree to maintain and furnish to the Company complete and current records of all such Inventions and disclose to the Company in writing any such Inventions. Upon termination of your consulting arrangement with the Company, you shall provide to the Company in writing a full, signed statement of all Inventions in which you participated prior to termination of the consulting arrangement. You further represent and agree that to the best of your knowledge and belief none of the Inventions will violate or infringe upon any right, patent, copyright, trademark or right of privacy, or constitute libel or slander against or violate any other rights of any person, firm or corporation, and that you will use your best efforts to prevent any such violation.

(b) At any time during or after the Term, you agree that you will fully cooperate with the Company, its attorneys and agents, in the preparation and filing of all papers and other documents as may be required to perfect and protect the Company's rights in and to any of such Inventions, including, but not limited to, joining in any proceeding to obtain and enforce letters patent, copyrights, mask work registrations, trademarks or other legal rights of the United States and of any and all other countries on such Inventions, provided that the Company will bear the expense of such proceedings, and that any patent, copyright, mask work registration, trademark, or other legal right so issued to you, personally, shall be assigned by you to the Company without charge by you. You hereby designate the Company as your agent for, and grant to the Company a power of attorney with full power of substitution, which power of attorney shall be deemed coupled with an interest, for the purpose of effecting the foregoing assignments from you to the Company.

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5. Limitations on Competition. You hereby agree, in consideration of the Company's agreement to engage you as a consultant hereunder and your compensation for services rendered to the Company and in view of the confidential position to be held by you, and the confidential nature and proprietary value of the information which the Company may share with you, and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, as follows:

Except as otherwise indicated in this Agreement, you shall not, without the prior written consent of the Company:

(i) For yourself or on behalf of any other, directly or indirectly, either as principal, agent, stockholder, employee, consultant, representative or in any other capacity, own, manage, operate or control, or be concerned, connected or employed by, or otherwise associate in any manner with, engage in or have a financial interest in any business whose primary line of business is in the Company's Field of Interest, or in any other business in which you have any direct operating or scientific responsibility, as a consultant, employee or otherwise, in the Company's Field of Interest anywhere in the world (hereinafter, the "Restricted Territory"), except that nothing contained herein shall preclude you from purchasing stock in any such competitive business if such stock is publicly traded, and provided that your holdings do not exceed three (3%) percent of the issued and outstanding capital stock of such business.

(ii) Either individually or on behalf of or through any third party, solicit, divert or appropriate or attempt to solicit, divert or appropriate, for the purpose of competing in the Company's Field of Interest with the Company or any present or future parent, subsidiary or other affiliate of the Company which is engaged in the Company's Field of Interest, any joint venture or collaborative research partners, customers or patrons of the Company, or any prospective customers or patrons with respect to which the Company has developed or made a presentation for the use or exploitation of products or processes in the Company's Field of Interest (or similar offering of services), located within the Restricted Territory.

(iii) Either individually or on behalf of or through any third party, directly or indirectly, solicit, entice or persuade or attempt to solicit, entice or persuade any other employees or of consultants to the Company or any present or future parent, subsidiary or affiliate of the Company to leave the services of the Company or any such parent, subsidiary or affiliate for any reason.

You further recognize and acknowledge that (i) the types of employment which are prohibited by this paragraph are narrow and reasonable in relation to the skills which represent your principal salable asset both to the Company and to your other prospective employers, and (ii) the specific but broad geographical scope of the provisions of this paragraph is reasonable, legitimate and fair to you in light of the Company's need to perform its research and to develop and market its services and develop and sell its products in a large geographic area in order to have a sufficient customer base to make the Company's business profitable and in light of the

limited restrictions on the type of employment prohibited herein compared to the types of employment for which you are qualified to earn your livelihood.

If any part of this section should be determined by a court of competent jurisdiction to be unreasonable in duration, geographic area, or scope, then this section is intended to and shall extend only for such period of time, in such area and with respect to such activity as is determined to be reasonable.

The limitations on competition contained in this Section 5 shall continue during the Term, as defined in Section 6 below, and for a period of twelve (12) months following the termination of the Term.

6. Term of Consulting Arrangement. Your services as a consultant to the Company hereunder shall commence on the Effective Date and shall continue, unless terminated as provided below, for a period of two years thereafter (the "Term"), which Term shall automatically be extended for an additional period or periods of one year each unless either you or the Company shall have given to the other written notice to the contrary at least ninety (90) days prior to the commencement of such additional period; provided, however, that after the initial two year Term, (a) the Company may terminate this Agreement by giving not less than ninety (90) days prior written notice to you at any time, and (b) the Company shall continue to pay your compensation and expenses in accordance with Section 7 until the date six months after the date of the notice of termination.

7. Compensation.

(a) For such time that you provide services to the Company, the Company shall pay you annual compensation in quarterly installments in advance of the applicable quarter to which compensation applies. Such compensation shall initially be $0.00 but shall increase upon the occurrence of the following events: (i) $10,000.00 per year commencing after the Company has completed the Milestone Closing, as that term is defined in the Series A Convertible Preferred Stock Purchase Agreement dated July 25, 2006 by and between the Company and its Investors noted therein, until the Company has raised $5,000,000.00 in post-Milestone Closing equity financing, license transaction payments, corporate research/partnership or licensing deals of such value, grants of such value, sales of such value or any combination of the foregoing; (ii) $20,000.00 per year commencing after the Company has raised $5,000,000.00 in post-Milestone Closing equity financing, license transaction payments, corporate research/partnership or licensing deals of such value, grants of such value, sales of such value or any combination of the foregoing; and (iii) $40,000.00 per year commencing after the Company has raised $20,000,000.00 in post-Milestone Closing equity financing, license transaction payments, corporate research/partnership or licensing deals of such value, grants of such value, sales of such value or any combination of the foregoing. Upon the conclusion of the 12 month period following your annual compensation reaching $40,000.00, and at the conclusion of every subsequent 12 month period, your annual compensation shall increase by 8 percent, provided the Agreement is not terminated and is in full force and effect at that time.

(b) The Company will reimburse you for reasonable out-of-pocket expenses incurred by you in performing services hereunder at the Company's request upon submission of an invoice with reasonable supporting documentation.

8. Continuing Obligations.

(a) Your obligations under this Agreement other than the provisions of Section 1 shall not be affected: (i) by any termination of this Agreement, including termination upon the Company's initiative; nor (ii) by any change in your relationship with the Company; nor (iii) by any interruption in your consulting arrangement with the Company.

(b) Termination of this Agreement shall not affect the Company's obligation to pay for expenses reasonably incurred by you for which you are entitled to reimbursement under Section 7 above.

9. Disclosure to Future Employers. You agree that, if reasonably relevant, you will provide, and that the Company may similarly provide in its discretion, a copy of the acknowledgments and covenants contained in Sections 2, 3, 4 and 5 of this Agreement to any business or enterprise which you may directly, or indirectly, own, manage, operate, finance, join, control or participate in the ownership, management, operation, financing, control or control of, or with which you may be connected as an officer, director, employee, partner, principal, agent, representative, consultant or otherwise.

10. Records. Upon termination of your relationship with the Company, you shall deliver to the Company any property of the Company which may be in your possession including products, materials, memoranda, notes, records, reports, laboratory notebooks, or other documents or photocopies of the same, including without limitation any of the foregoing recorded on any computer or any machine readable medium.

11. No Conflicting Agreements. You hereby represent and warrant that you have no commitments or obligations inconsistent with this Agreement. During the Term of this Agreement, you will not enter into any agreement either written or oral in conflict with this Agreement and will arrange to provide your services under this Agreement in such a manner and at times that your services will not conflict with your responsibilities under any other agreement, arrangement or understanding or pursuant to any employment relationship you have at any time with any third party. If you are a party to any agreement which may be in conflict with this Agreement, please so indicate by identifying that agreement below your signature at the end of this Agreement and attaching a copy hereto.

12. No Employment Created. This Agreement does not constitute, and shall not be construed as constituting, an undertaking by the Company to hire you as an employee of the Company. You acknowledge that you will be working as a consultant only, and not as an employee. You will not be entitled to receive any of the benefits provided by the Company to its employees and you will be solely responsible for the payment of all federal, state and local taxes and contributions imposed or required on income, unemployment insurance, social security and any other law or regulation.

13. Waiver of Provisions. Failure of any party to insist, in one or more instances, on performance by the other in strict accordance with the terms and conditions of this Agreement shall not be deemed a waiver or relinquishment of any right granted hereunder or of the future performance of any such term or condition or of any other term or condition of this Agreement, unless such waiver is contained in a writing signed by or on behalf of the waiving party.

14. Notices. Any notice or other communication required or permitted hereunder shall be deemed sufficiently given if sent by facsimile transmission, recognized courier service or certified mail, postage and fees prepaid, addressed to the party to be notified as follows: if to the Company to its address set forth above, and if to you to your address set forth above, or in each case to such other

address as either party may from time to time designate in writing to the other. Such notice or communication shall be deemed to have been given as of the date sent by facsimile or delivered to a recognized courier service, or three days following the date deposited with the United States Postal Service.

15. Governing Law. This Agreement shall be governed by and construed and enforced in accordance with the laws of the Commonwealth of Massachusetts, without application of the conflicts of law provisions thereof.

16. Entire Agreement. This Agreement embodies the entire agreement and understanding between the parties hereto and supersedes all prior oral or written agreements and understandings relating to the subject matter hereof. No statement, representation, warranty, covenant or agreement of any kind not set forth in this Agreement shall affect, or be used to interpret, change or restrict, the express terms and provisions of this Agreement.

17. Invalidity. This Agreement is intended to be performed in accordance with, and only to the extent permitted by, all applicable laws, ordinances, rules and regulations. If any provision of this Agreement, or the application thereof to any person or circumstance, shall, for any reason and to any extent, be invalid or unenforceable, the remainder of this Agreement and the application of such provisions to other persons or circumstances shall not be affected thereby, but rather shall be construed, reformed and enforced to the greatest extent permitted by law.

18. Injunctive Relief. You hereby expressly acknowledge that any breach or threatened breach of any of the terms and/or conditions set forth in Sections 2, 3, 4 or 5 of this Agreement may result in substantial, continuing and irreparable injury to the Company. Therefore, you hereby agree that, in addition to any other remedy that may be available to the Company, the Company shall be entitled to injunctive or other equitable relief by a court of appropriate jurisdiction in the event of any breach or threatened breach of the terms of Sections 2, 3, 4 or 5 of this Agreement.

19. Assignment. The Company may assign its rights and obligations hereunder to any person or entity who succeeds to all or substantially all of the Company's business or that aspect of the Company's business in which you are principally involved. Your rights and obligations under this Agreement may not be assigned without the prior written consent of the Company.

20. Modification and Amendment. This Agreement shall not be modified or amended except by an instrument in writing signed by or on behalf of the parties hereto. The Company and you acknowledge that any amendment of this Agreement or any departure from the terms and conditions hereof with respect to your consulting services for the Company is subject to the Institution's prior written approval.

21. Interpretation. The parties hereto acknowledge and agree that (i) the rule of construction to the effect that any ambiguities are resolved against the drafting party, and (ii) the terms and provisions of this Agreement, shall be construed fairly as to all parties hereto and not in favor of or against a party, regardless of which party was generally responsible for the preparation of this Agreement.

22. Parties Benefitted. Subject to the foregoing, this Agreement shall be binding upon and inure to the benefit of the Company and any parent, subsidiary or other affiliate of the Company, and their respective successors and assigns, and shall be binding upon and inure to the benefit of you and your heirs, executors and administrators.

23. Publicity. The Company will not use your name or the Institution's name in any commercial advertisement or similar material that is used to promote or sell products, unless the Company obtains in advance both your consent and the written consent of the Institution to such use.

24. Headings. Section and other headings contained in this Agreement are for reference purposes only and are in no way intended to define, interpret, describe or otherwise limit the scope, extent or intent of this Agreement or any of its provisions each of which shall be deemed an original, but all of which together shall constitute one and the same document.

25. Counterparts. This Agreement may be executed in one or more counterparts each of which will be deemed an original, but all of which together shall constitute one and the same instrument.

If the foregoing accurately sets forth our agreement, please so indicate by signing and returning to us the enclosed copy of this letter.

Very truly yours,

BIOPLEX SYSTEMS, INC.

By: /s/ W. David Lee

Name: W. David Lee

Title: President

Accepted and Approved:

Consultant

By: /s/ Robert Langer

Name: Robert Langer

Title: Professor

Dr. Robert Langer
98 Montvale Road
Newton, MA 02459

March 20, 2013

Mr. John McDonough
T2 Biosystems, Inc.
101 Hartwell Avenue
Lexington, MA 02421

Dear Mr. McDonough:

Reference is hereby made to that certain Letter Agreement dated July 20, 2006 between me and T2 Biosystems, Inc. (formerly known as Bioplex Systems, Inc.) (the "Agreement"). This letter hereby confirms our oral agreement that for the time that I provide services to the Company, notwithstanding the compensation set forth in Section 7(a) of the Agreement, my sole compensation under the Agreement is and shall be $40,000 per year, effective as of October 4, 2010 through the date of termination of the Agreement and payable in quarterly installments in advance of the applicable quarter to which the compensation applies. This letter also confirms that the oral agreement set forth in the preceding sentence was made in connection to and in consideration of options to purchase 100,000 shares of the Company's common stock, par value $0.001 per share, granted to me by the Company's Board of Directors on or about September 14, 2010. All other provisions of the Agreement shall remain unchanged and in full force and effect pursuant to their terms.

Very truly yours,

/s/ Robert Langer
Robert Langer

T2 BIOSYSTEMS, INC.
101 Hartwell Avenue
Lexington, Massachusetts 02421

July 24, 2014

Robert S. Langer, Sc.D.
98 Montvale Road
Newton, MA 02459

Re: Consulting Agreement Amendment

Dear Dr. Langer:

Reference is hereby made to that certain Letter Agreement dated July 20, 2006 between Robert Langer, Sc.D. ("you") and T2 Biosystems, Inc. (formerly known as Bioplex Systems, Inc.) (the "Company"), as amended on March 20, 2013 (the "Agreement"). Subject to and effective upon the effectiveness of the Company's Registration Statement on Form S-1 (Reg. No. 333-197193) relating to the Company's initial public offering of common stock, you and the Company hereby agree as follows:

1. Section 6 of the Agreement is hereby deleted in its entirety and the following is substituted in lieu thereof:

"6. Term of Consulting Agreement The term of this Agreement (the "Term") shall commence on the Effective Date and shall continue through the third anniversary of the effectiveness of the Company's Registration Statement on Form S-1 (Reg. No. 333-197193) relating to the Company's initial public offering of common stock, unless earlier terminated as set forth in this Section 6. The Term shall automatically terminate upon your death. In addition, the Company may elect to terminate the Term at any time, for any or no reason, by providing written notice to you; provided that if the Company elects to terminate the Term for any reason other than Cause, if on or within 21 days following the termination date, you execute and deliver to the Company (and do not revoke) a general release of claims in a form provided by the Company,(i) the Company shall continue to pay your compensation in accordance with Section 7(a) during the remainder of the Term and (ii) all of the outstanding unvested equity awards of the Company held by you shall become fully vested and, if applicable, exercisable as of the date of such termination. Upon termination of this Agreement for any reason, except as expressly provided herein, the Company shall have no further obligation to you under this Agreement, except to pay to you any earned and unpaid compensation and any unpaid expense reimbursements.

"Cause" for purposes of this Agreement shall mean your (i) misconduct which materially and adversely reflects upon the business, affairs, operations, or reputation of the Company; (ii) your failure to perform his duties and responsibilities for the Company,

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which failure continues for more than ten (10) days after the Company gives you written notice setting forth in reasonable detail the nature of such failure; (iii) your negligent performance of duties for the Company, which negligent performance if capable of cure continues for more than ten (10) days after the Company gives written notice to Consultant setting forth in reasonable detail the nature of such negligence; or (iv) your material breach of this Agreement, which breach if capable of cure continues for more than ten (10) days after the Company gives written notice to you setting forth in reasonable detail the nature of such breach."

2. Section 7(a) of the Agreement is hereby deleted in its entirety and the following is substituted in lieu thereof:

"During the Term, the Company shall pay you annual compensation of $40,000, payable in quarterly installments of $10,000 in advance of the quarter to which such installment relates."

3. The following is added to the Agreement as new Section 26:

"26. Section 409A.

(a) The intent of the parties is that the payments and benefits under this Agreement comply with or be exempt from Section 409A of the Internal Revenue Code of 1986, as amended (the "Code"), and the regulations and guidance promulgated thereunder (collectively, "Section 409A") and, accordingly, to the maximum extent permitted, this Agreement shall be interpreted to be in compliance therewith.

(b) Separation from Service. Notwithstanding anything in this Agreement to the contrary, any compensation or benefits payable under this Agreement that is considered nonqualified deferred compensation under Section 409A and is designated under this Agreement as payable upon termination of this Agreement shall be payable only upon your "separation from service" with the Company within the meaning of Section 409A (a "Separation from Service") and, any such compensation or benefits shall not be paid, or, in the case of installments, shall not commence payment, until the 30th day following your Separation from Service (the "First Payment Date"). Any installment payments that would have been made to you during the 30 day period immediately following your Separation from Service but for the preceding sentence shall be paid to you on the First Payment Date and the remaining payments shall be made as provided in this Agreement.

(c) To the extent that any reimbursements under this Agreement are subject to Section 409A, any such reimbursements payable to you shall be paid to you no later than December 31 of the year following the year in which the expense was incurred; provided that you submit your reimbursement request promptly following the date the expense is incurred. The amount of expenses reimbursed in one year shall not affect the amount eligible for reimbursement in

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any subsequent year, and your right to reimbursement under this Agreement will not be subject to liquidation or exchange for another benefit.

(d) Your right to receive any installment payments under this Agreement shall be treated as a right to receive a series of separate payments and, accordingly, each such installment payment shall at all times be considered a separate and distinct payment as permitted under Section 409A. Except as otherwise permitted under Section 409A, no payment hereunder shall be accelerated or deferred unless such acceleration or deferral would not result in additional tax or interest pursuant to Section 409A.

This agreement contains the entire and exclusive agreement between the parties with respect to the subject matter hereof and is intended to supersede and replace all previous agreements, negotiations, and representations between the parties. This agreement may be executed in one or more counterparts, each of which shall be deemed and original and all of which together shall constitute one and the same instrument. Except as set forth herein, the Agreement shall continue in full force and effect in accordance with the terms thereof. In the event that the closing of the Company's initial public offering of common stock does not occur prior to January 1, 2015 for any reason, this agreement shall be null and void.

Please indicate your agreement with the foregoing by executing below and delivering an executed copy of this agreement to the undersigned.

Very truly yours,

T2 BIOSYSTEMS, INC.

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

I hereby agree to and accept the foregoing and by my signature below represent and warrant to the Company that I have obtained the written approval of the Institution (as defined in the Agreement) to the modification of the Agreement's terms as set forth herein prior to signing below, and agree to provide a copy of such written approval to the Company upon its request:

/s/ Robert S. Langer, Sc.D.
Robert S. Langer, Sc.D.

T2 BIOSYSTEMS, INC.
2014 EMPLOYEE STOCK PURCHASE PLAN

ARTICLE 1.

PURPOSE

The purposes of this T2 Biosystems, Inc. 2014 Employee Stock Purchase Plan (as it may be amended or restated from time to time, the "***Plan***") are to assist Eligible Employees of T2 Biosystems, Inc., a Delaware corporation (the "***Company***"), and its Designated Subsidiaries in acquiring a stock ownership interest in the Company pursuant to a plan which is intended to qualify as an "employee stock purchase plan" within the meaning of Section 423(b) of the Code, and to help Eligible Employees provide for their future security and to encourage them to remain in the employment of the Company and its Designated Subsidiaries.

ARTICLE 2.

DEFINITIONS AND CONSTRUCTION

Wherever the following terms are used in the Plan they shall have the meanings specified below, unless the context clearly indicates otherwise. The singular pronoun shall include the plural where the context so indicates. Masculine, feminine and neuter pronouns are used interchangeably and each comprehends the others.

2.1 "***Administrator***" shall mean the entity that conducts the general administration of the Plan as provided in Article 11. The term "Administrator" shall refer to the Committee unless the Board has assumed the authority for administration of the Plan as provided in Article 11.

2.2 "***Applicable Law***" shall mean any applicable law, including without limitation; (i) provisions of the Code, the Securities Act, the Exchange Act and any rules or regulations thereunder; (ii) corporate, securities, tax or other laws, statutes, rules, requirements or regulations, whether federal, state, local or foreign; and (iii) rules of any securities exchange or automated quotation system on which the Shares are listed, quoted or traded.

2.3 "***Board***" shall mean the Board of Directors of the Company.

2.4 "***Change in Control***" shall mean and include each of the following:

(a) A transaction or series of transactions (other than an offering of Common Stock to the general public through a registration statement filed with the Securities and Exchange Commission or a transaction or series of transactions that meets the requirements of clause (i) and (ii) of paragraph (c) below) whereby any "person" or related "group" of "persons" (as such terms are used in Sections 13(d) and 14(d)(2) of the Exchange Act) (other than the Company, any of its Subsidiaries, an employee benefit plan maintained by the Company or any of its Subsidiaries or a "person" that, prior to such transaction, directly or indirectly controls, is controlled by, or is under common control with, the Company) directly or indirectly acquires beneficial ownership (within the meaning of Rule 13d-3 under the Exchange Act) of securities of the Company possessing more than 50% of the total combined voting power of the Company's securities outstanding immediately after such acquisition; or

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(b) During any period of two consecutive years, individuals who, at the beginning of such period, constitute the Board together with any new director(s) (other than a director designated by a person who shall have entered into an agreement with the Company to effect a transaction described in Section 2.4(a) or 2.4(c)) whose election by the Board or nomination for election by the Company's stockholders was approved by a vote of at least two-thirds of the directors then still in office who either were directors at the beginning of the two-year period or whose election or nomination for election was previously so approved, cease for any reason to constitute a majority thereof; or

(c) The consummation by the Company (whether directly involving the Company or indirectly involving the Company through one or more intermediaries) of (x) a merger, consolidation, reorganization, or business combination or (y) a sale or other disposition of all or substantially all of the Company's assets in any single transaction or series of related transactions or (z) the acquisition of assets or stock of another entity, in each case other than a transaction:

(i) which results in the Company's voting securities outstanding immediately before the transaction continuing to represent (either by remaining outstanding or by being converted into voting securities of the Company or the person that, as a result of the transaction, controls, directly or indirectly, the Company or owns, directly or indirectly, all or substantially all of the Company's assets or otherwise succeeds to the business of the Company (the Company or such person, the "Successor Entity")) directly or indirectly, at least a majority of the combined voting power of the Successor Entity's outstanding voting securities immediately after the transaction, and

(ii) after which no person or group beneficially owns voting securities representing 50% or more of the combined voting power of the Successor Entity; provided, however, that no person or group shall be treated for purposes of this Section 2.4(c)(ii)as beneficially owning 50% or more of the combined voting power of the Successor Entity solely as a result of the voting power held in the Company prior to the consummation of the transaction.

The Administrator shall have full and final authority, which shall be exercised in its discretion, to determine conclusively whether a Change in Control of the Company has occurred pursuant to the above definition, and the date of the occurrence of such Change in Control and any incidental matters relating thereto.

2.5 "***Code***" shall mean the Internal Revenue Code of 1986, as amended from time to time, together with the regulations and official guidance promulgated thereunder.

2.6 "***Common Stock***" shall mean the common stock of the Company and such other securities of the Company that may be substituted therefor pursuant to Article 8.

2.7 "***Company***" shall mean T2 Biosystems, Inc., a Delaware corporation.

2.8 "***Compensation***" of an Eligible Employee shall mean the gross base compensation received by such Eligible Employee as compensation for services to the Company or any Designated Subsidiary, excluding overtime payments, sales commissions, incentive compensation, bonuses, expense reimbursements, fringe benefits and other special payments.

2.9 "***Designated Subsidiary***" shall mean any Subsidiary designated by the Administrator in accordance with Section 11.3(b).

2.10 "***Effective Date***" shall mean the day prior to the Public Trading Date.

2.11 "***Eligible Employee***" shall mean an Employee of the Company or any Designated Subsidiary : (a) who does not, immediately after any rights under this Plan are granted, own (directly or through attribution) stock possessing 5% or more of the total combined voting power or value of all classes of Common Stock and other stock of the Company, a Parent or a Subsidiary (as determined under Section 423(b)(3) of the Code); (b) whose customary employment is for more than twenty hours per week; and (c) whose customary employment is for more than five months in any calendar year. For purposes of the foregoing, the rules of Section 424(d) of the Code with regard to the attribution of stock ownership shall apply in determining the stock ownership of an individual, and stock that an Employee may purchase under outstanding options shall be treated as stock owned by the Employee; provided, however, that the Administrator may provide in an Offering Document that an Employee of the Company or any Designated Subsidiary shall not be eligible to participate in an Offering Period if: (i) such Employee is a highly compensated employee within the meaning of Section 423(b)(4)(D) of the Code; and/or (ii) such Employee has not met a service requirement designated by the Administrator pursuant to Section 423(b)(4)(A) of the Code (which service requirement may not exceed two years), and/or (iii) such Employee is a citizen or resident of a foreign jurisdiction and the grant of a right to purchase Common Stock under the Plan to such Employee would be prohibited under the laws of such foreign jurisdiction or the grant of a right to purchase Common Stock under the Plan to such Employee in compliance with the laws of such foreign jurisdiction would cause the Plan to violate the requirements of Section 423 of the Code, as determined by the Administrator in its sole discretion; provided, further, that any exclusion in clauses (i), (ii) or (iii) shall be applied in an identical manner under each Offering Period to all employees of the Company and all Designated Subsidiaries, in accordance with Treasury Regulation Section 1.423-2(e). For purposes of clause (a) above, the rules of Section 424(d) of the Code with regard to the attribution of stock ownership shall apply in determining the stock ownership of an individual, and stock that an Employee may purchase under outstanding options shall be treated as stock owned by the Employee.

2.12 "***Employee***" shall mean any officer or other employee (as defined in accordance with Section 3401(c) of the Code) of the Company or any Designated Subsidiary. "Employee" shall not include any director of the Company or a Designated Subsidiary who does not render services to the Company or a Designated Subsidiary as an employee within the meaning of Section 3401(c) of the

Code. For purposes of the Plan, the employment relationship shall be treated as continuing intact while the individual is on sick leave or other leave of absence approved by the Company or Designated Subsidiary and meeting the requirements of Treasury Regulation Section 1.421-1(h)(2). Where the period of leave exceeds three (3) months and the individual's right to reemployment is not guaranteed either by statute or by contract, the employment relationship shall be deemed to have terminated on the first day immediately following such three (3)-month period.

2.13 "***Enrollment Date***" shall mean the first Trading Day of each Offering Period.

2.14 "***Exchange Act***" shall mean the Securities Exchange Act of 1934, as amended from time to time.

2.15 "***Fair Market Value***" means, as of any given date, the fair market value of a Share on the date determined as follows:

(a) If the Common Stock is listed on any (i) established securities exchange (such as the New York Stock Exchange, the NASDAQ Capital Market, the NASDAQ Global Market or the NASDAQ Global Select Market), (ii) national market system or (iii) automated quotation system, its Fair Market Value shall be the closing sales price for a Share as quoted on such exchange or system for such date or, if there is no closing sales price for a Share on the date in question, the closing sales price for a

Share on the last preceding date for which such quotation exists, as reported in The Wall Street Journal or such other source as the Administrator deems reliable;

(b) If the Common Stock is not listed on an established securities exchange, national market system or automated quotation system, but the Common Stock is regularly quoted by a recognized securities dealer, its Fair Market Value shall be the mean of the high bid and low asked prices for such date or, if there are no high bid and low asked prices for a Share on such date, the high bid and low asked prices for a Share on the last preceding date for which such information exists, as reported in The Wall Street Journal or such other source as the Administrator deems reliable; or

(c) If the Common Stock is neither listed on an established securities exchange, national market system or automated quotation system nor regularly quoted by a recognized securities dealer, its Fair Market Value shall be established by the Administrator in good faith.

2.16 "***Offering Document***" shall have the meaning given to such term in Section 4.1.

2.17 "***Offering Period***" shall have the meaning given to such term in Section 4.1.

2.18 "***Parent***" shall mean any corporation, other than the Company, in an unbroken chain of corporations ending with the Company if, at the time of the determination, each of the corporations other than the Company owns stock possessing 50% or more of the total combined voting power of all classes of stock in one of the other corporations in such chain.

2.19 "***Participant***" shall mean any Eligible Employee who has executed a subscription agreement and been granted rights to purchase Common Stock pursuant to the Plan.

2.20 "***Plan***" shall mean this T2 Biosystems, Inc. 2014 Employee Stock Purchase Plan, as it may be amended from time to time.

2.21 "***Public Trading Date***" shall mean the first date upon which Common Stock is listed (or approved for listing) upon notice of issuance on any securities exchange or designated (or approved for designation) upon notice of issuance as a national market security on an interdealer quotation system.

2.22 "***Purchase Date***" shall mean the last Trading Day of each Offering Period.

2.23 "***Purchase Price***" shall mean the purchase price designated by the Administrator in the applicable Offering Document (which purchase price shall not be less than 85% of the Fair Market Value of a Share on the Enrollment Date or on the Purchase Date, whichever is lower); provided, however, that, in the event no purchase price is designated by the Administrator in the applicable Offering Document, the purchase price for the Offering Periods covered by such Offering Document shall be 85% of the Fair Market Value of a Share on the Enrollment Date or on the Purchase Date, whichever is lower; provided, further, that the Purchase Price may be adjusted by the Administrator pursuant to Article 8 and shall not be less than the par value of a Share.

2.24 "***Securities Act***" shall mean the Securities Act of 1933, as amended from time to time.

2.25 "***Share***" shall mean a share of Common Stock.

2.26 "***Subsidiary***" shall mean any corporation, other than the Company, in an unbroken chain of corporations beginning with the Company if, at the time of the determination, each of the corporations other than the last corporation in an unbroken chain owns stock possessing 50% or more of the total

combined voting power of all classes of stock in one of the other corporations in such chain; provided, however, that a limited liability company or partnership may be treated as a Subsidiary to the extent either (a) such entity is treated as a disregarded entity under Treasury Regulation Section 301.7701-3(a) by reason of the Company or any other Subsidiary that is a corporation being the sole owner of such entity, or (b) such entity elects to be classified as a corporation under Treasury Regulation Section 301.7701-3(a) and such entity would otherwise qualify as a Subsidiary.

2.25 "***Trading Day***" shall mean a day on which national stock exchanges in the United States are open for trading.

ARTICLE 3.

SHARES SUBJECT TO THE PLAN

3.1 Number of Shares. Subject to Article 8, the aggregate number of Shares that may be issued pursuant to rights granted under the Plan shall be 220,588 Shares. In addition to the foregoing, subject to Article 8, on the first day of each calendar year beginning on January 1, 2015 and ending on and including January 1, 2024, the number of Shares available for issuance under the Plan shall be increased by that number of Shares equal to the least of (a) 220,588 Shares, (b) 1% of the Shares outstanding (on an as-converted basis) on the final day of the immediately preceding calendar year and (c) such smaller number of Shares as determined by the Board. If any right granted under the Plan shall for any reason terminate without having been exercised, the Common Stock not purchased under such right shall again become available for issuance under the Plan. Notwithstanding anything in this Section 3.1 to the contrary, the number of Shares that may be issued or transferred pursuant to rights granted under the Plan shall not exceed an aggregate of 2,205,882 Shares, subject to Article 8.

3.2 Stock Distributed. Any Common Stock distributed pursuant to the Plan may consist, in whole or in part, of authorized and unissued Common Stock, treasury stock or Common Stock purchased on the open market.

ARTICLE 4.

OFFERING PERIODS; OFFERING DOCUMENTS; PURCHASE DATES

4.1 Offering Periods. The Administrator may from time to time grant or provide for the grant of rights to purchase Common Stock of the Company under the Plan to Eligible Employees during one or more periods (each, an "***Offering Period***") selected by the Administrator. The terms and conditions applicable to each Offering Period shall be set forth in an "***Offering Document***" adopted by the Administrator, which Offering Document shall be in such form and shall contain such terms and conditions as the Administrator shall deem appropriate and shall be incorporated by reference into and made part of the Plan and shall be attached hereto as part of the Plan. The provisions of separate Offering Periods under the Plan need not be identical.

4.2 Offering Documents. Each Offering Document with respect to an Offering Period shall specify (through incorporation of the provisions of this Plan by reference or otherwise):

(a) the length of the Offering Period, which period shall not exceed twenty-seven months;

(b) the maximum number of shares that may be purchased by any Eligible Employee during such Offering Period, which, in the absence of a contrary designation by the Administrator, shall be 20,000 shares;

(c) such other provisions as the Administrator determines are appropriate, subject to the Plan.

ARTICLE 5.

ELIGIBILITY AND PARTICIPATION

5.1 Eligibility. Any Eligible Employee who shall be employed by the Company or a Designated Subsidiary on a given Enrollment Date for an Offering Period shall be eligible to participate in the Plan during such Offering Period, subject to the requirements of this Article 5 and the limitations imposed by Section 423(b) of the Code and the Treasury Regulations thereunder.

5.2 Enrollment in Plan.

(a) Except as otherwise set forth in an Offering Document or determined by the Administrator, an Eligible Employee may become a Participant in the Plan for an Offering Period by delivering a subscription agreement to the Company by such time prior to the Enrollment Date for such Offering Period (or such other date specified in the Offering Document) designated by the Administrator and in such form as the Administrator provides.

(b) Each subscription agreement shall designate a whole percentage of such Eligible Employee's Compensation to be withheld by the Company or the Designated Subsidiary employing such Eligible Employee on each payday during the Offering Period as payroll deductions under the Plan. An Eligible Employee may designate any whole percentage of Compensation that is not less than 1% and not more than the maximum percentage specified by the Administrator in the applicable Offering Document (which percentage shall be 20% in the absence of any such designation) as payroll deductions. The payroll deductions made for each Participant shall be credited to an account for such Participant under the Plan and shall be deposited with the general funds of the Company.

(c) A Participant may increase or decrease the percentage of Compensation designated in his or her subscription agreement, subject to the limits of this Section 5.2, or may suspend his or her payroll deductions, at any time during an Offering Period; provided, however, that the Administrator may limit the number of changes a Participant may make to his or her payroll deduction elections during each Offering Period in the applicable Offering Document (and in the absence of any specific designation by the Administrator, a Participant shall be allowed one change to his or her payroll deduction elections during each Offering Period). Any such change or suspension of payroll deductions shall be effective with the first full payroll period following five business days after the Company's receipt of the new subscription agreement (or such shorter or longer period as may be specified by the Administrator in the applicable Offering Document). In the event a Participant suspends his or her payroll deductions, such Participant's cumulative payroll deductions prior to the suspension shall remain in his or her account and shall be applied to the purchase of Shares on the next occurring Purchase Date and shall not be paid to such Participant unless he or she withdraws from participation in the Plan pursuant to Article 7.

(d) Except as otherwise set forth in an Offering Document or determined by the Administrator, a Participant may participate in the Plan only by means of payroll deduction and may not make contributions by lump sum payment for any Offering Period.

5.3 Payroll Deductions. Except as otherwise provided in the applicable Offering Document, payroll deductions for a Participant shall commence on the first payroll following the Enrollment Date and shall end on the last payroll in the Offering Period to which the Participant's authorization is applicable, unless sooner terminated by the Participant as provided in Article 7.

5.4 Effect of Enrollment. A Participant's completion of a subscription agreement will enroll such Participant in the Plan for each subsequent Offering Period on the terms contained therein until the Participant either submits a new subscription agreement, withdraws from participation under the Plan as provided in Article 7 or otherwise becomes ineligible to participate in the Plan.

5.5 Limitation on Purchase of Common Stock. An Eligible Employee may be granted rights under the Plan only if such rights, together with any other rights granted to such Eligible Employee under "employee stock purchase plans" of the Company, any Parent or any Subsidiary, as specified by Section 423(b)(8) of the Code, do not permit such employee's rights to purchase stock of the Company or any Parent or Subsidiary to accrue at a rate that exceeds $25,000 of the fair market value of such stock (determined as of the first day of the Offering Period during which such rights are granted) for each calendar year in which such rights are outstanding at any time. This limitation shall be applied in accordance with Section 423(b)(8) of the Code.

5.6 Decrease or Suspension of Payroll Deductions. Notwithstanding the foregoing, to the extent necessary to comply with Section 423(b)(8) of the Code and Section 5.5 or the other limitations set forth in this Plan, a Participant's payroll deductions may be suspended by the Administrator at any time during an Offering Period. The balance of the amount credited to the account of each Participant that has not been applied to the purchase of Shares by reason of Section 423(b)(8) of the Code, Section 5.5 or the other limitations set forth in this Plan shall be paid to such Participant in one lump sum in cash as soon as reasonably practicable after the Purchase Date.

5.7 Foreign Employees. In order to facilitate participation in the Plan, the Administrator may provide for such special terms applicable to Participants who are citizens or residents of a foreign jurisdiction, or who are employed by a Designated Subsidiary outside of the United States, as the Administrator may consider necessary or appropriate to accommodate differences in local law, tax policy or custom. Such special terms may not be more favorable than the terms of rights granted under the Plan to Eligible Employees who are residents of the United States. Moreover, the Administrator may approve such supplements to, or amendments, restatements or alternative versions of, this Plan as it may consider necessary or appropriate for such purposes without thereby affecting the terms of this Plan as in effect for any other purpose. No such special terms, supplements, amendments or restatements shall include any provisions that are inconsistent with the terms of this Plan as then in effect unless this Plan could have been amended to eliminate such inconsistency without further approval by the stockholders of the Company.

5.8 Leave of Absence. During leaves of absence approved by the Company meeting the requirements of Treasury Regulation Section 1.421-1(h)(2) under the Code, a Participant may continue participation in the Plan by making cash payments to the Company on his or her normal payday equal to his or her authorized payroll deduction.

ARTICLE 6.

GRANT AND EXERCISE OF RIGHTS

6.1 Grant of Rights. On the Enrollment Date of each Offering Period, each Eligible Employee participating in such Offering Period shall be granted a right to purchase the maximum number of Shares specified under Section 4.2, subject to the limits in Section 5.5, and shall have the right to buy, on each Purchase Date during such Offering Period (at the applicable Purchase Price), such number of whole shares of the Company's Common Stock as is determined by dividing (a) such Participant's payroll deductions accumulated prior to such Purchase Date and retained in the Participant's account as of the Purchase Date, by (b) the applicable Purchase Price (rounded down to the nearest Share). The right shall expire on the last day of the Offering Period.

6.2 Exercise of Rights. On each Purchase Date, each Participant's accumulated payroll deductions and any other additional payments specifically provided for in the applicable Offering Document will be applied to the purchase of whole Shares of the Company, up to the maximum number of shares permitted pursuant to the terms of the Plan and the applicable Offering Document, at the Purchase Price. No fractional shares shall be issued upon the exercise of rights granted under the Plan, unless the Offering Document specifically provides otherwise. Any cash in lieu of fractional Shares remaining after the purchase of whole Shares upon exercise of a purchase right will be credited to a Participant's account and carried forward and applied toward the purchase of whole Shares for the next following Offering Period. Shares issued pursuant to the Plan may be evidenced in such manner as the Administrator may determine and may be issued in certificated form or issued pursuant to book-entry procedures.

6.3 Pro Rata Allocation of Shares. If the Administrator determines that, on a given Purchase Date, the number of Shares with respect to which rights are to be exercised may exceed (a) the number of Shares that were available for issuance under the Plan on the Enrollment Date of the applicable Offering Period, or (b) the number of Shares available for issuance under the Plan on such Purchase Date, the Administrator may in its sole discretion provide that the Company shall make a pro rata allocation of the Shares available for purchase on such Enrollment Date or Purchase Date, as applicable, in as uniform a manner as shall be practicable and as it shall determine in its sole discretion to be equitable among all Participants for whom rights to purchase Common Stock are to be exercised pursuant to this Article 6 on such Purchase Date, and shall either (i) continue all Offering Periods then in effect, or (ii) terminate any or all Offering Periods then in effect pursuant to Article 9. The Company may make pro rata allocation of the Shares available on the Enrollment Date of any applicable Offering Period pursuant to the preceding sentence, notwithstanding any authorization of additional shares for issuance under the Plan by the Company's stockholders subsequent to such Enrollment Date. The balance of the amount credited to the account of each Participant that has not been applied to the purchase of Shares shall be paid to such Participant in one lump sum in cash as soon as reasonably practicable after the Purchase Date.

6.4 Withholding. At the time a Participant's rights under the Plan are exercised, in whole or in part, or at the time some or all of the Common Stock issued under the Plan is disposed of, the Participant must make adequate provision for the Company's federal, state, or other tax withholding obligations, if any, that arise upon the exercise of the right or the disposition of the Common Stock. At any time, the Company may, but shall not be obligated to, withhold from the Participant's compensation the amount necessary for the Company to meet applicable withholding obligations, including any withholding required to make available to the Company any tax deductions or benefits attributable to sale or early disposition of Common Stock by the Participant.

6.5 Conditions to Issuance of Common Stock. The Company shall not be required to issue or deliver any certificate or certificates for, or make any book entries evidencing, Shares purchased upon the exercise of rights under the Plan prior to fulfillment of all of the following conditions:

(a) The admission of such shares to listing on all stock exchanges, if any, on which the Common Stock is then listed; and

(b) The completion of any registration or other qualification of such shares under any state or federal law or under the rulings or regulations of the Securities and Exchange Commission or any other governmental regulatory body, that the Administrator shall, in its absolute discretion, deem necessary or advisable; and

(c) The obtaining of any approval or other clearance from any state or federal governmental agency that the Administrator shall, in its absolute discretion, determine to be necessary or advisable; and

(d) The payment to the Company of all amounts that it is required to withhold under federal, state or local law upon exercise of the rights, if any; and

(e) The lapse of such reasonable period of time following the exercise of the rights as the Administrator may from time to time establish for reasons of administrative convenience.

ARTICLE 7.

WITHDRAWAL; TERMINATION OF EMPLOYMENT OR ELIGIBILITY

7.1 Withdrawal. A Participant may withdraw all but not less than all of the payroll deductions credited to his or her account and not yet used to exercise his or her rights under the Plan at any time by giving written notice to the Company in a form acceptable to the Administrator no later than one week prior to the end of the Offering Period. All of the Participant's payroll deductions credited to his or her account during an Offering Period shall be paid to such Participant as soon as reasonably practicable after receipt of notice of withdrawal and such Participant's rights for the Offering Period shall be automatically terminated, and no further payroll deductions for the purchase of shares shall be made for such Offering Period. If a Participant withdraws from an Offering Period, payroll deductions shall not resume at the beginning of the next Offering Period unless the Participant delivers to the Company a new subscription agreement.

7.2 Future Participation. A Participant's withdrawal from an Offering Period shall not have any effect upon his or her eligibility to participate in any similar plan that may hereafter be adopted by the Company or a Designated Subsidiary or in subsequent Offering Periods that commence after the termination of the Offering Period from which the Participant withdraws.

7.3 Cessation of Eligibility. Upon a Participant's ceasing to be an Eligible Employee for any reason, he or she shall be deemed to have elected to withdraw from the Plan pursuant to this Article 7 and the payroll deductions credited to such Participant's account during the Offering Period shall be paid to such Participant or, in the case of his or her death, to the person or persons entitled thereto under Section 12.4, as soon as reasonably practicable, and such Participant's rights for the Offering Period shall be automatically terminated.

ARTICLE 8.

ADJUSTMENTS UPON CHANGES IN STOCK

8.1 Changes in Capitalization. Subject to Section 8.3, in the event that the Administrator determines that any dividend or other distribution (whether in the form of cash, Common Stock, other securities, or other property), Change in Control, reorganization, merger, amalgamation, consolidation, combination, repurchase, recapitalization, liquidation, dissolution, or sale, transfer, exchange or other disposition of all or substantially all of the assets of the Company, or sale or exchange of Common Stock or other securities of the Company, issuance of warrants or other rights to purchase Common Stock or other securities of the Company, or other similar corporate transaction or event, as determined by the Administrator, affects the Common Stock such that an adjustment is determined by the Administrator to be appropriate in order to prevent dilution or enlargement of the benefits or potential benefits intended by the Company to be made available under the Plan or with respect to any outstanding purchase rights under the Plan, the Administrator shall make equitable adjustments, if any, to reflect such change with respect to (a) the aggregate number and type of Shares (or other securities or property) that may be issued under the Plan (including, but not limited to, adjustments of the limitations in Section 3.1 and the limitations established in each Offering Document pursuant to Section 4.2 on the maximum number of Shares that may be purchased); (b) the class(es) and number of shares and price per Share subject to outstanding rights; and (c) the Purchase Price with respect to any outstanding rights.

8.2 Other Adjustments. Subject to Section 8.3, in the event of any transaction or event described in Section 8.1 or any unusual or nonrecurring transactions or events affecting the Company, any affiliate of the Company, or the financial statements of the Company or any affiliate (including without limitation any Change in Control), or of changes in Applicable Law or accounting principles, the Administrator, in its discretion, and on such terms and conditions as it deems appropriate, is hereby authorized to take any one or more of the following actions whenever the Administrator determines that such action is appropriate in order to prevent the dilution or enlargement of the benefits or potential benefits intended to be made available under the Plan or with respect to any right under the Plan, to facilitate such transactions or events or to give effect to such changes in laws, regulations or principles:

(a) To provide for either (i) termination of any outstanding right in exchange for an amount of cash, if any, equal to the amount that would have been obtained upon the exercise of such right had such right been currently exercisable or (ii) the replacement of such outstanding right with other rights or property selected by the Administrator in its sole discretion;

(b) To provide that the outstanding rights under the Plan shall be assumed by the successor or survivor corporation, or a parent or subsidiary thereof, or shall be substituted for by similar rights covering the stock of the successor or survivor corporation, or a parent or subsidiary thereof, with appropriate adjustments as to the number and kind of shares and prices; and

(c) To make adjustments in the number and type of Shares (or other securities or property) subject to outstanding rights under the Plan and/or in the terms and conditions of outstanding rights and rights that may be granted in the future;

(d) To provide that Participants' accumulated payroll deductions may be used to purchase Common Stock prior to the next occurring Purchase Date on such date as the Administrator determines in its sole discretion and the Participants' rights under the ongoing Offering Period(s) shall be terminated; and

(e) To provide that all outstanding rights shall terminate without being exercised.

8.3 No Adjustment Under Certain Circumstances. No adjustment or action described in this Article 8 or in any other provision of the Plan shall be authorized to the extent that such adjustment or action would cause the Plan to fail to satisfy the requirements of Section 423 of the Code.

8.4 No Other Rights. Except as expressly provided in the Plan, no Participant shall have any rights by reason of any subdivision or consolidation of shares of stock of any class, the payment of any dividend, any increase or decrease in the number of shares of stock of any class or any dissolution, liquidation, merger, or consolidation of the Company or any other corporation. Except as expressly provided in the Plan or pursuant to action of the Administrator under the Plan, no issuance by the Company of shares of stock of any class, or securities convertible into shares of stock of any class, shall affect, and no adjustment by reason thereof shall be made with respect to, the number of Shares subject to an Award or the grant or exercise price of any Award.

ARTICLE 9.

AMENDMENT, MODIFICATION AND TERMINATION

9.1 Amendment, Modification and Termination. The Administrator may amend, suspend or terminate the Plan at any time and from time to time; provided, however, that approval of the Company's stockholders shall be required to amend the Plan to: (a) increase the aggregate number, or change the type, of shares that may be sold pursuant to rights under the Plan under Section 3.1 (other than an adjustment as provided by Article 8); (b) change the corporations or classes of corporations whose employees may be granted rights under the Plan; or (c) change the Plan in any manner that would cause the Plan to no longer be an "employee stock purchase plan" within the meaning of Section 423(b) of the Code.

9.2 Certain Changes to Plan. Without stockholder consent and without regard to whether any Participant rights may be considered to have been adversely affected, to the extent permitted by Section 423 of the Code, the Administrator shall be entitled to change the Offering Periods, limit the frequency and/or number of changes in the amount withheld during an Offering Period, establish the exchange ratio applicable to amounts withheld in a currency other than U.S. dollars, permit payroll withholding in excess of the amount designated by a Participant in order to adjust for delays or

mistakes in the Company's processing of properly completed withholding elections, establish reasonable waiting and adjustment periods and/or accounting and crediting procedures to ensure that amounts applied toward the purchase of Common Stock for each Participant properly correspond with amounts withheld from the Participant's Compensation, and establish such other limitations or procedures as the Administrator determines in its sole discretion to be advisable that are consistent with the Plan.

9.3 Actions In the Event of Unfavorable Financial Accounting Consequences. In the event the Administrator determines that the ongoing operation of the Plan may result in unfavorable financial accounting consequences, the Administrator may, in its discretion and, to the extent necessary or desirable, modify or amend the Plan to reduce or eliminate such accounting consequence including, but not limited to:

(a) altering the Purchase Price for any Offering Period including an Offering Period underway at the time of the change in Purchase Price;

(b) shortening any Offering Period so that the Offering Period ends on a new Purchase Date, including an Offering Period underway at the time of the Administrator action; and

(c) allocating Shares.

Such modifications or amendments shall not require stockholder approval or the consent of any Participant.

9.4 Payments Upon Termination of Plan. Upon termination of the Plan, the balance in each Participant's Plan account shall be refunded as soon as practicable after such termination, without any interest thereon.

ARTICLE 10.

TERM OF PLAN

The Plan shall be effective on the Effective Date. The effectiveness of the Plan shall be subject to approval of the Plan by the stockholders of the Company within twelve months following the date the Plan is first approved by the Board. No right may be granted under the Plan prior to such stockholder approval. No rights may be granted under the Plan during any period of suspension of the Plan or after termination of the Plan.

ARTICLE 11.

ADMINISTRATION

11.1 Administrator. Unless otherwise determined by the Board, the Administrator of the Plan shall be the Compensation Committee of the Board (or another committee or a subcommittee of the Board to which the Board delegates administration of the Plan) (such committee, the "***Committee***"). The Board may at any time vest in the Board any authority or duties for administration of the Plan.

11.2 Action by the Administrator. Unless otherwise established by the Board or in any charter of the Administrator, a majority of the Administrator shall constitute a quorum. The acts of a majority of the members present at any meeting at which a quorum is present and, subject to Applicable Law and the Bylaws of the Company, acts approved in writing by a majority of the Administrator in lieu of a meeting, shall be deemed the acts of the Administrator. Each member of the Administrator is entitled to, in good faith, rely or act upon any report or other information furnished to that member by any officer or other employee of the Company or any Designated Subsidiary, the Company's independent certified public accountants, or any executive compensation consultant or other professional retained by the Company to assist in the administration of the Plan.

11.3 Authority of Administrator. The Administrator shall have the power, subject to, and within the limitations of, the express provisions of the Plan:

(a) To determine when and how rights to purchase Common Stock shall be granted and the provisions of each offering of such rights (which need not be identical).

(b) To designate from time to time which Subsidiaries of the Company shall be Designated Subsidiaries, which designation may be made without the approval of the stockholders of the Company.

(c) To construe and interpret the Plan and rights granted under it, and to establish, amend and revoke rules and regulations for its administration. The Administrator, in the exercise of this power, may correct any defect, omission or inconsistency in the Plan, in a manner and to the extent it shall deem necessary or expedient to make the Plan fully effective.

(d) To amend the Plan as provided in Article 9.

(e) Generally, to exercise such powers and to perform such acts as the Administrator deems necessary or expedient to promote the best interests of the Company and its Subsidiaries and to carry out the intent that the Plan be treated as an "employee stock purchase plan" within the meaning of Section 423 of the Code.

11.4 Decisions Binding. The Administrator's interpretation of the Plan, any rights granted pursuant to the Plan, any subscription agreement and all decisions and determinations by the Administrator with respect to the Plan are final, binding, and conclusive on all parties.

ARTICLE 12.

MISCELLANEOUS

12.1 Restriction upon Assignment. A right granted under the Plan shall not be transferable other than by will or the applicable laws of descent and distribution, and is exercisable during the Participant's lifetime only by the Participant. Except as provided in Section 12.4 hereof, a right under the Plan may not be exercised to any extent except by the Participant. The Company shall not recognize and shall be under no duty to recognize any assignment or alienation of the Participant's interest in the Plan, the Participant's rights under the Plan or any rights thereunder.

12.2 Rights as a Stockholder. With respect to Shares subject to a right granted under the Plan, a Participant shall not be deemed to be a stockholder of the Company, and the Participant shall not have any of the rights or privileges of a stockholder, until such shares have been issued to the Participant or his or her nominee following exercise of the Participant's rights under the Plan. No adjustments shall be made for dividends (ordinary or extraordinary, whether in cash securities, or other property) or distribution or other rights for which the record date occurs prior to the date of such issuance, except as otherwise expressly provided herein or as determined by the Administrator.

12.3 Interest. No interest shall accrue on the payroll deductions or contributions of a Participant under the Plan.

12.4 Designation of Beneficiary.

(a) A Participant may, in the manner determined by the Administrator, file a written designation of a beneficiary who is to receive any shares and cash, if any, from the Participant's account under the Plan in the event of such Participant's death subsequent to a Purchase Date on which the Participant's rights are exercised but prior to delivery to such Participant of such shares and cash. In addition, a Participant may file a written designation of a beneficiary who is to receive any cash from the Participant's account under the Plan in the event of such Participant's death prior to exercise of the Participant's rights under the Plan. If the Participant is married and resides in a community property state, a designation of a person other than the Participant's spouse as his or her beneficiary shall not be effective without the prior written consent of the Participant's spouse.

(b) Such designation of beneficiary may be changed by the Participant at any time by written notice to the Company. In the event of the death of a Participant and in the absence of a beneficiary validly designated under the Plan who is living at the time of such Participant's death, the Company shall deliver such shares and/or cash to the executor or administrator of the estate of the Participant, or if no such executor or administrator has been appointed (to the knowledge of the Company), the Company, in its discretion, may deliver such shares and/or cash to the spouse or to any

one or more dependents or relatives of the Participant, or if no spouse, dependent or relative is known to the Company, then to such other person as the Company may designate.

12.5 Notices. All notices or other communications by a Participant to the Company under or in connection with the Plan shall be deemed to have been duly given when received in the form specified by the Company at the location, or by the person, designated by the Company for the receipt thereof.

12.6 Equal Rights and Privileges. Subject to Section 5.7, all Eligible Employees of the Company or any Designated Subsidiary will have equal rights and privileges under this Plan so that this Plan qualifies as an "employee stock purchase plan" within the meaning of Section 423 of the Code. Subject to Section 5.7, any provision of this Plan that is inconsistent with Section 423 of the Code will, without further act or amendment by the Company, the Board or the Administrator, be reformed to comply with the equal rights and privileges requirement of Section 423 of the Code.

12.7 Use of Funds. All payroll deductions received or held by the Company under the Plan may be used by the Company for any corporate purpose, and the Company shall not be obligated to segregate such payroll deductions.

12.8 Reports. Statements of account shall be given to participating Employees at least annually, which statements shall set forth the amounts of payroll deductions, the Purchase Price, the number of shares purchased and the remaining cash balance, if any.

12.9 No Employment Rights. Nothing in the Plan shall be construed to give any person (including any Eligible Employee or Participant) the right to remain in the employ of the Company or any Parent or Subsidiary or to affect the right of the Company or any Parent or Subsidiary to terminate the employment of any person (including any Eligible Employee or Participant) at any time, with or without cause.

12.10 Notice of Disposition of Shares. Each Participant shall give prompt notice to the Company of any disposition or other transfer of any shares of stock purchased upon exercise of a right under the Plan if such disposition or transfer is made: (a) within two years from the Enrollment Date of the Offering Period in which the shares were purchased or (b) within one year after the Purchase Date on which such shares were purchased. Such notice shall specify the date of such disposition or other transfer and the amount realized, in cash, other property, assumption of indebtedness or other consideration, by the Participant in such disposition or other transfer.

12.11 Governing Law. The Plan and any agreements hereunder shall be administered, interpreted and enforced under the internal laws of the State of Delaware without regard to conflicts of laws thereof or of any other jurisdiction.

12.12 Electronic Forms. To the extent permitted by applicable state law and in the discretion of the Administrator, an Eligible Employee may submit any form or notice as set forth herein by means of an electronic form approved by the Administrator. Before the commencement of an Offering Period, the Administrator shall prescribe the time limits within which any such electronic form shall be submitted to the Administrator with respect to such Offering Period in order to be a valid election.

* * * * *

Exhibit 23.1

Consent of Independent Registered Public Accounting Firm

We consent to the reference to our firm under the caption "Experts" and to the use of our report dated April 24, 2014, except for Note 17(a) and (b), as to which the date is July 15, 2014, and Note 17(c), as to which the date is July 25, 2014, in Amendment No. 2 to the Registration Statement (Form S-1/A) and related Prospectus of T2 Biosystems, Inc. dated July 28, 2014.

/s/ Ernst & Young LLP

Boston, MA
July 25, 2014