

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

**Form S-1**

REGISTRATION STATEMENT UNDER  
THE SECURITIES ACT OF 1933

**Corbus Pharmaceuticals Holdings, Inc.**

*(Exact Name of Registrant as Specified in its Charter)*

Delaware	2834	46-4348039
(State or other jurisdiction of incorporation or organization)	(Primary Standard Industrial Classification Code Number)	(I.R.S. Employer Identification No.)

**100 River Ridge Drive  
Norwood, MA 02062  
Telephone: 617-963-0100**

*(Address, including zip code, and telephone number,  
including area code, of principal executive offices)*

**Yuval Cohen  
Chief Executive Officer  
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*(Address, including zip code, and telephone number,  
including area code, of agent for service)*

**Copies to:**

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New York, New York 10020  
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Approximate date of proposed sale to public: As soon as practicable on or after the effective date of this registration statement. If any of the securities being registered on this Form are to be offered on a delayed or continuous basis pursuant to Rule 415 under the Securities Act of 1933 check the following box.

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

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

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

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

Large accelerated filer

Accelerated filer

Non-accelerated filer

Smaller reporting company

(Do not check if a smaller reporting company)

#### CALCULATION OF REGISTRATION FEE

<u>Title of Each Class of Securities to Be Registered</u>	<u>Amount to Be Registered</u>	<u>Proposed Maximum Offering Price per Share<sup>(1)</sup></u>	<u>Proposed Maximum Aggregate Offering Price</u>	<u>Amount of Registration Fee</u>
Shares of common stock sold to selling stockholders in private placement <sup>(2)</sup>	9,475,000	\$ 1.00	\$ 9,475,000	\$ 1,220.38
Shares of common stock underlying warrants sold to selling stockholders in private placement <sup>(3)</sup>	9,475,000	\$ 1.00	\$ 9,475,000	\$ 1,220.38
Other shares of common stock underlying warrants held by selling stockholders <sup>(4)</sup>	<u>1,295,451</u>	\$ 1.00	\$ 1,295,451	\$ 166.85
<b>Total</b>	<b><u>20,245,451</u></b>		<b><u>\$ 20,245,451</u></b>	<b><u>\$ 2,607.61</u></b>

- (1) No market presently exists for our common stock.
- (2) Represents shares of common stock purchased pursuant to our private placement, which had its final closing on May 30, 2014 (the "2014 Private Placement").
- (3) Represents shares of common stock issuable upon the exercise of warrants issued in the 2014 Private Placement with an exercise price per share of \$1.00 per share. Pursuant to Rule 416, we are also registering such indeterminable additional securities as may be issued to prevent dilution as a result of stock splits, stock dividends or similar transactions. The proposed maximum offering price per share is based on the exercise price of the warrants in accordance with Rule 457(g).
- (4) Represents shares of common stock issuable upon the exercise of warrants issued to selling stockholders with exercise prices of \$0.60, \$0.66 and \$1.00 per share. Pursuant to Rule 416, we are also registering such indeterminable additional securities as may be issued to prevent dilution as a result of stock splits, stock dividends or similar transactions. The proposed maximum offering price per share is based on the exercise price of the warrants in accordance with Rule 457(g).

**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, as amended, or until this Registration Statement shall become effective on such date as the Securities and Exchange Commission, acting pursuant to such Section 8(a), may determine.**

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**The information in this prospectus is not complete and may be changed. We may not sell these securities until the Securities and Exchange Commission declares our registration statement effective. This prospectus is not an offer to sell nor does it seek an offer to buy these securities in any state where the offer or sale is not permitted.**

Preliminary Prospectus

Subject to Completion, dated September 3, 2014

**Corbus Pharmaceuticals Holdings, Inc.**



**20,245,451 Shares  
Common Stock**

This prospectus relates to the offer for sale of up to an aggregate of 20,245,451 shares of common stock of Corbus Pharmaceuticals Holdings, Inc. by the selling stockholders named herein. We are not offering any securities pursuant to this prospectus. The shares of common stock offered by the selling stockholders include 10,770,451 shares of common stock underlying warrants with an exercise prices ranging from \$0.60 to \$1.00 per share.

Our common stock is not presently traded on any market or securities exchange, and we have not applied for listing or quotation on any exchange. We are seeking sponsorship for the trading of our common stock on the Over-the-Counter, or OTC, Bulletin Board and/or OTCQB Market upon the effectiveness of the registration statement of which this prospectus forms a part. The 20,245,451 shares of our common stock can be sold by selling security holders at a fixed price of \$1.00 per share until our shares are quoted on the OTC Bulletin Board and/or OTCQB Market and thereafter at prevailing market prices or privately negotiated prices. There can be no assurance that a market maker will agree to file the necessary documents with the Financial Industry Regulatory Authority, or FINRA, nor can we provide assurance that our shares will actually be quoted on the OTC Bulletin Board and/or OTCQB Market or, if quoted, that a viable public market will materialize or be sustained.

Following the effectiveness of the registration statement of which this prospectus forms a part, the sale and distribution of securities offered hereby may be effected in one or more transactions that may take place on the OTC Bulletin Board and/or OTCQB Market, including ordinary brokers' transactions, privately negotiated transactions or through sales to one or more dealers for resale of such securities as principals, at market prices prevailing at the time of sale, at prices related to such prevailing market prices or at negotiated prices. Usual and customary or specifically negotiated brokerage fees or commissions may be paid by the selling stockholders. See "Plan of Distribution."

Certain of the selling stockholders and intermediaries, who are identified as broker-dealers in the footnotes to the selling stockholder table contained in this prospectus, through whom such securities are sold are deemed "underwriters" within the meaning of the Securities Act of 1933, as amended, with respect to the securities offered hereby, and any profits realized or commissions received may be deemed underwriting compensation. We believe that all securities purchased by broker-dealers or affiliates of broker-dealers were purchased by such persons and entities in the ordinary course of business and at the time of purchase, such purchasers did not have any agreements or understandings, directly or indirectly, with any person to distribute such securities.

**We are an "emerging growth company" under the federal securities laws and, as such, we intend to comply with certain reduced public company reporting requirements. Investing in our common stock is highly speculative and involves a significant degree of risk. See "Risk Factors" beginning on page 8 of this prospectus for a discussion of information that should be considered before making a decision to purchase our common stock.**

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

**The date of this prospectus is [\_\_\_\_\_], 2014.**

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You should rely only on the information contained in this prospectus. We have not authorized any other person to provide you with information different from or in addition to that contained in this prospectus. If anyone provides you with different or inconsistent information, you should not rely on it. We are not making an offer to sell these securities in any jurisdiction where an offer or sale is not permitted. You should assume that the information appearing in this prospectus is accurate only as of the date on the front cover of this prospectus. Our business, financial condition, results of operations and prospects may have changed since that date.

**Additional risks and uncertainties not presently known or that are currently deemed immaterial may also impair our business operations. The risks and uncertainties described in this document and other risks and uncertainties which we may face in the future will have a greater impact on those who purchase our common stock. These purchasers will purchase our common stock at the market price or at a privately negotiated price and will run the risk of losing their entire investments.**

**For investors outside the United States:** We 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. You are required to inform yourselves about and to observe any restrictions relating to this offering and the distribution of this prospectus.

In this prospectus, we rely on and refer to information and statistics regarding our industry. We obtained this statistical, market and other industry data and forecasts from publicly available information.

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## PROSPECTUS SUMMARY

*This summary highlights information contained in other parts of this prospectus. Because it is a summary, it does not contain all of the information that you should consider in making your investment decision. Before investing in our common stock, you should read the entire prospectus carefully, including our consolidated financial statements and the related notes included in this prospectus and the information set forth under the headings “Risk Factors” and “Management’s Discussion and Analysis of Financial Condition and Results of Operations.”*

*When used herein, unless the context requires otherwise, references to the “Company”, “Holdings,” “we,” “our” and “us” refer to Corbus Pharmaceuticals Holdings, Inc., a Delaware corporation, collectively with its wholly-owned subsidiary, Corbus Pharmaceuticals, Inc., a Delaware corporation.*

### **Our Company**

#### **General**

We are a clinical stage biopharmaceutical company, focused on the development and commercialization of novel therapeutics to treat rare, life-threatening inflammatory-fibrotic diseases with clear unmet medical needs. Our product Resunab™ is a novel oral anti-inflammatory drug that is expected to commence Phase IIa clinical trials for the treatment of cystic fibrosis and scleroderma, pending U.S. Food and Drug Administration, or FDA, approval of an Investigational New Drug Application, or IND, which we expect to file with the scleroderma clinical protocol before the end of 2014. We intend to seek orphan drug status for Resunab for the treatment of cystic fibrosis and diffuse scleroderma, which, if approved by the FDA, will provide us with seven years of market exclusivity in the United States under the Orphan Drug Act.

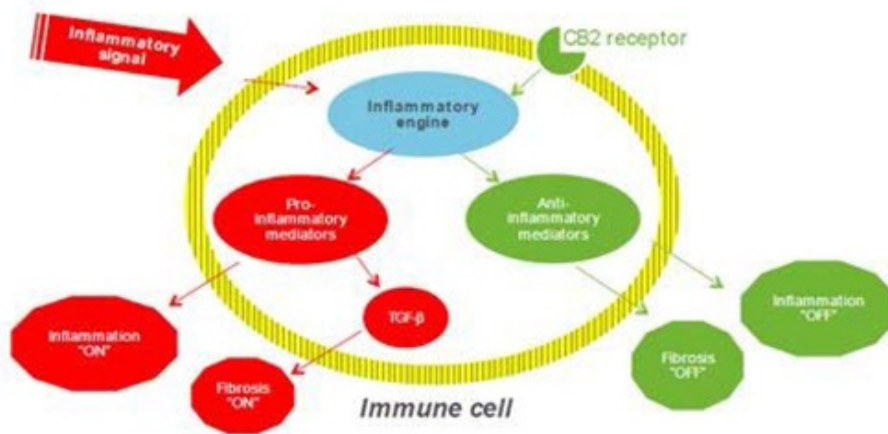
Inflammation is a natural defense mechanism carried out by our immune system to protect our bodies from infection and injury. However, under certain circumstances inflammation is triggered but is unable to be resolved, resulting in a chronic inflammatory disease. Since each organ in the body is capable of protecting itself from infection and injury by recruiting inflammatory cells to its site, each organ can therefore suffer from excessive inflammation leading to inflammatory diseases that may cause discomfort, pain, loss of organ function, disability or even death. There are hundreds of inflammatory diseases, many of which are chronic, life-long and incurable.

A key aspect of the body’s inflammatory response is the recruitment of inflammatory cells to the site of tissue infection/injury whereupon these cells act to destroy the infection and/or repair tissue damage. The signaling pathway that modulates the inflammatory response involves the production of bioactive lipids termed eicosanoids by the enzymes COX and LOX, resulting in pro-inflammatory mediators as shown in Figure 1 below. These mediators trigger the activation and maintenance of a cellular inflammatory state resulting in the further generation of pro-inflammatory mediators termed cytokines. This fundamental pathway is involved in a wide spectrum of inflammatory diseases.

While the onset of inflammation has been well understood for some time, the mechanisms that resolve inflammation have only recently been discovered. This “resolution pathway” involves shifting the production of pro-inflammatory eicosanoids by the COX and LOX enzymes to the production of anti-inflammatory eicosanoids. These anti-inflammatory eicosanoids act to resolve inflammation and promote tissue healing. The lack of sufficient inflammatory resolution is a key contributor to many chronic inflammatory diseases.

Resunab is a synthetic oral small molecule that selectively binds to CB2 receptors found on immune cells. The CB2 receptor plays a natural role in modulating and resolving inflammation by, in effect, turning inflammation “off.” Through activation of CB2, Resunab stimulates the production of anti-inflammatory mediators and causes a concomitant reduction in pro-inflammatory mediators and cytokines. Because it acts through this natural resolving pathway, Resunab offers a new mechanism to potentially treat a wide spectrum of chronic inflammatory diseases in which the resolution of inflammation (the “off” switch) fails to occur.

Figure 1: the ON and OFF cellular inflammatory pathways



In many chronic diseases unresolved inflammation causes progressive damage to tissues and organs resulting in excessive tissue scarring (fibrosis) that leads to organ failure and death. Examples of such chronic diseases include cystic fibrosis, scleroderma, liver cirrhosis and non-alcoholic steatohepatitis, or NASH, chronic kidney disease, muscular dystrophies, rheumatoid arthritis, systemic lupus erythematosus and myositis. Resunab has demonstrated pre-clinical efficacy in a number of inflammatory and fibrotic disease animal models. In inflammatory models it was shown to reduce the migration of inflammatory cells into the site of inflammation, stimulate the production of the resolving, or anti-inflammatory, eicosanoids, and down-regulate and reduce pro-inflammatory mediators and cytokines. In fibrosis models it was shown to reduce tissue collagen production, tissue fibrosis, stimulate the production of the resolving, or anti-inflammatory, eicosanoids and reduce the pro-fibrotic cytokine TGF-beta. The net result is that Resunab - through activation of CB2 - triggers a natural inflammatory resolution pathway and is therefore expected to offer a new and promising mechanism for the potential treatment of chronic inflammation and fibrosis.

**Our Pipeline**

The development status of Resunab is summarized below:

Figure 2: Drug developmental pipeline

	Pre-clinical	Phase 1 safety	Phase 2a study	Phase 2b/Phase 3 pivotal study
Cystic Fibrosis	Resunab™			
Diffuse Scleroderma	Resunab™			

Pre-clinical studies and Phase-I human safety studies (n=136) for Resunab have been completed that support our Phase II clinical development plan. Prior Phase 1 safety studies were conducted by Atlantic Pharmaceuticals, Inc. in 2001-2002 and by Cervelo Pharmaceuticals as sub licensee to Indevus Pharmaceuticals in 2008. We expect to rely on this data from these studies in addition to the pre-clinical data generated by us to file our INDs and launch directly into Phase 2 clinical studies for scleroderma and cystic fibrosis. Human clinical studies to-date show Resunab has good oral bioavailability, is well tolerated and causes no serious adverse effects at therapeutic levels. Resunab exhibited none of the serious adverse side effects that are associated with routinely used anti-inflammatory drugs: the gastrointestinal side effects of non-steroidal anti-inflammatory drugs, or NSAIDs, and the metabolic side effects of corticosteroids. The safety data to-date suggests that Resunab has an acceptable therapeutic dosing window and is well tolerated, making the treatment of chronic inflammatory and fibrotic diseases attractive therapeutic indications for the drug. We expect to commence Phase IIa clinical studies for cystic fibrosis and scleroderma, pending approval of the IND for Resunab, which is expected to be filed with the clinical protocol for scleroderma before the end of 2014.

### ***Cystic Fibrosis***

Cystic fibrosis, or CF, is an incurable disease caused by a mutation in the gene Cystic Fibrosis Transmembrane Conductance Regulator, or CFTR, that results in aberrant chloride ion transport leading to the accumulation of thick, viscous secretions in certain tissues, including the lung, pancreas and gastrointestinal tract. The most common symptom in CF is pulmonary dysfunction. The genetic defect in CF triggers chronic inflammation causing both morbidity and, ultimately, mortality. CF patients' lungs are exposed to a vicious cycle of obstruction, infection and inflammation, which are all intimately linked and gradually lead to pulmonary fibrosis and deterioration in breathing capacity, eventually resulting in death. The current life expectancy of CF patients averages 40 years. According to the Cystic Fibrosis Foundation, 30,000 Americans and a total of 70,000 people worldwide suffer from CF. Current therapies for CF include antibiotics to fight bacterial infection, mucolytics to digest mucus buildup and, very recently, "correctors" which act to repair faulty CFTR activity in specific genetic sub-populations of patients (Kalydeco™). The cost of treating CF is very high, with an average cost in the U.S. of \$49,000 per patient per annum (based on research published in 2011). The recent addition of Kalydeco™, approved in January 2012, has an annual cost of \$307,000 per patient but can reach up to \$370,000 for certain patients. However, with at least 1,300 different known mutations in the CFTR gene, Kalydeco™ can only be used by a specific sub-section of the CF population who suffer from a limited number of "gating mutations," including the G551D mutation. Combined, these currently account for about 4.5% of the total CF patient population in the United States.

During the first quarter of 2015, we plan to submit a clinical protocol under the Resunab IND for a Phase IIa double-blind placebo-controlled clinical study evaluating Resunab in CF patients at three dosing levels, 5 and 20 milligrams, or mg, once a day, and 20 mg twice a day, versus placebo. Patients in the study will be 18-30 years of age with mild to moderate cystic fibrosis. The current trial design will have a 2-week screening period, followed by a 12-week active treatment period, and then a 4-week safety follow-up. Like other companies in this field, we will work closely with the Cystic Fibrosis Foundation Therapeutics Development Network, or CFF-TDN, to finalize the trial design. The current study planned is a multi-center U.S. trial.

### ***Scleroderma***

Scleroderma is a chronic connective tissue disease characterized by the thickening of the skin and is generally classified as an autoimmune rheumatic disease. According to the Scleroderma Foundation, about 300,000 Americans have scleroderma with one third having the systemic form. The disease affects mainly adults (80% of scleroderma patients are women) with onset typically in the patient's 30's or 40's. Systemic scleroderma can affect multiple organs in the body. The tissues of affected organs become hard and fibrous, adversely affecting their function. There are two major recognized sub-categories of systemic scleroderma "diffuse and limited" with each representing about 50% of systemic scleroderma patients. Approximately 50,000 Americans have diffuse scleroderma, which indicates increased risk for fibrosis of the internal organs. Diffuse scleroderma patients have a high mortality rate with approximately 50% survival over a 10 year period. There are currently no cures or effective therapies for diffuse scleroderma.

Before the end of 2014, we plan to submit the IND for Resunab with the clinical protocol for a Phase IIa double-blind placebo controlled clinical study evaluating Resunab in patients with diffuse scleroderma at three dosing levels, 5 and 20 mg once a day, and 20 mg twice a day, versus placebo. The trial design will have a two week screening period, twelve week treatment period and a four week safety follow-up. The study planned is a U.S. multi-center trial.

### ***Our Strategy***

Our business strategy is to develop and commercialize novel proprietary inflammatory-resolution pharmaceuticals for the treatment of serious life-threatening chronic inflammatory diseases for which there are no safe and effective treatments. Resunab has a unique mechanism of action with the potential to treat inflammation and fibrosis in a broad number of chronic inflammatory diseases. Promising opportunities exist to expand our markets beyond cystic fibrosis and scleroderma with additional indications for Resunab including fibrotic liver diseases (such as NASH), chronic kidney disease, muscular dystrophy and lupus. We believe Resunab has the potential to serve an unmet medical need in treating serious chronic inflammatory diseases by offering a potent medicine which can be given chronically to treat chronic inflammation and fibrosis with minimal adverse side effects. In addition to Resunab, we will endeavor to expand our pipeline by licensing in other novel drug candidates which target high unmet medical conditions through the resolution of inflammation and fibrosis.

Our objective is to enter into strategic license arrangements with pharmaceutical companies for the commercialization of our drug products. This process will involve completing pivotal clinical trials and obtaining regulatory approvals for the manufacturing, marketing, distribution and sale of our drugs. We have an experienced management team to implement our business strategy with many years of expertise in drug development.

### **Formation of Holdings**

We are a Delaware corporation. In connection with our formation in December 2013, we sold an aggregate of 6,000,000 shares of common stock for an aggregate of \$120,000 (\$0.02 per share), which includes 1,000,000 shares of common stock owned by Adam Stern. Mr. Stern is an affiliate of Aegis Capital Corporation, the placement agent in our 2014 private placement described below.

### **Recent Developments**

#### ***The Merger Transaction***

On March 27, 2014, JB Therapeutics, Inc., or JB Therapeutics, entered into a merger agreement by and among JB Therapeutics, Holdings, and Corbus Pharmaceuticals Acquisition, Inc. a Delaware corporation and our wholly-owned subsidiary, or Merger Sub. Pursuant to the terms of the merger agreement, as a condition of and contemporaneously with the initial closing of the 2014 Private Placement, or the Initial Closing, described below, Merger Sub merged with and into JB Therapeutics and JB Therapeutics became a wholly-owned subsidiary of us. In connection with the merger, or the Merger, stockholders of JB Therapeutics received an aggregate of 9,000,000 shares of our common stock and the preferred stockholders of JB Therapeutics also received warrants, or the Merger Warrants, to purchase 917,612 shares of our common stock at an initial exercise price of \$1.00 per share. In addition, the holders of warrants to purchase common stock of JB Therapeutics prior to the Merger received warrants, or the Replacement Warrants, to purchase 27,839 shares of our common stock with an exercise price of \$0.60. Except for the exercise price, the terms of the Merger Warrants and the Replacement Warrants are substantially similar to the Investor Warrants. We also issued warrants, or the Additional Replacement Warrants, to purchase 350,000 shares of our common stock, with an exercise price of \$0.66, to replace previously held warrants to purchase common stock of JB Therapeutics. The Additional Replacement Warrants are substantially similar to the Investor Warrants except that they include cashless exercise provisions and are not subject to redemption by us. In connection with the Merger, holders of outstanding options of JB Therapeutics received, in substitution for such options, options to purchase an aggregate of 905,334 shares of our common stock with exercise prices ranging from \$0.11 to \$0.17 per share. At the closing of the merger, the board of directors of Holdings consisted of Yuval Cohen, the Chief Executive of Corbus and former Chief Executive Officer of JB Therapeutics, Alan Holmer a former Director of JB Therapeutics, and David Hochman, a Board designee of Aegis Capital.



The Merger was treated as a reverse acquisition and recapitalization of JB Therapeutics for financial accounting purposes and the historical financial statements of JB Therapeutics are our financial statements as a result of the Merger. The parties to the Merger Agreement have agreed to take all actions necessary to ensure the Merger is treated as a “plan of reorganization” under Section 368(a) of the Internal Revenue Code of 1986, as amended.

### ***2014 Private Placement***

We conducted a private placement offering in April and May 2014 with four closings with the final closing occurring on May 30, 2014. We issued an aggregate 10,260,000 shares of our common stock and warrants, or the Investor Warrants, to purchase 10,260,000 shares of our common stock at an exercise price of \$1.00. The Investor Warrants are exercisable for a period of five years from the date of grant. Gross proceeds totaled \$10,260,000 and net proceeds were \$8,671,000. Aegis Capital Corp. acted as the Placement Agent, or the Placement Agent, for the 2014 Private Placement. Pursuant to the registration statement of which this prospectus is a part, we are registering the shares of common stock and shares of common stock underlying the Investor Warrants issued in the 2014 Private Placement for public resale by the selling stockholders named herein and their assigns.

In connection with the 2014 Private Placement, we paid the Placement Agent and selected dealers an aggregate cash fee of \$1,023,000, we paid the Placement Agent a non-accountable expense allowance equal to \$308,000, and we incurred \$231,000 of other expenses related to the financing. In addition, as part of its compensation for acting as placement agent for the 2014 Private Placement, we issued a warrant, or the Placement Agent Warrants, to the Placement Agent to purchase 2,047,000 shares of our common stock with an exercise price of \$1.00 per share. Such warrants contain a “cashless exercise” feature and are exercisable at any time prior to five years from the date of grant.

### **Our Risks**

An investment in our common stock involves a high degree of risk. You should carefully consider the risks summarized below. These risks are discussed more fully in the “Risk Factors” section of this prospectus immediately following this prospectus summary. These risks include, but are not limited to, the following:

- we have a limited operating history and have incurred operating losses of approximately \$2.5 million from inception through June 30, 2014 and we expect to incur substantial losses for the foreseeable future and may never achieve or maintain profitability which could materially limit our ability to raise additional funds through the issuance of new debt or equity securities or otherwise;
- we will need to obtain additional financing to complete clinical development of Resunab;
- clinical trials for our product candidate, Resunab, may not be successful and we may not obtain approval from the FDA or other regulatory bodies in different jurisdictions for Resunab;
- we are highly dependent on the success of our product candidate, Resunab, which is still in early stage development;
- we expect to rely on third parties to manufacture Resunab and to conduct our clinical trials;
- we currently do not have the infrastructure to commercialize Resunab should we be successful in obtaining FDA approval;
- we face significant competition from other biotechnology and pharmaceutical companies;
- even if we obtain marketing approval for Resunab, we will be subject to ongoing obligations and continued regulatory review; and

- we rely on our key employees and executives and the loss of the services of our key employees and executives would adversely impact our business prospects.

### **Implications of Being an Emerging Growth Company**

We are an “emerging growth company,” as defined in the Jumpstart Our Business Startups Act of 2012, or the JOBS Act, and, for as long as we continue to be an “emerging growth company,” we may choose to take advantage of exemptions from various reporting requirements applicable to other public companies but not to “emerging growth companies,” including, but not limited to, not being required to comply with the auditor attestation requirements of Section 404 of the Sarbanes-Oxley Act of 2002, reduced disclosure obligations regarding executive compensation in our periodic reports and proxy 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 could be an “emerging growth company” for up to five years, or until the earliest of (i) the last day of the first fiscal year in which our annual gross revenues exceed \$1 billion, (ii) the date that we become a “large accelerated filer” as defined in Rule 12b-2 under the Securities Exchange Act of 1934, as amended, which would occur if the market value of our common stock that is held by non-affiliates exceeds \$700 million as of the last business day of our most recently completed second fiscal quarter, or (iii) the date on which we have issued more than \$1 billion in non-convertible debt during the preceding three-year period. We are choosing to “opt out” of the extended transition periods available under the JOBS Act for complying with new or revised accounting standards, and intend to take advantage of the other exemptions.

### **Corporate Information**

We are a Delaware corporation formed in 2013 under the name SAV Acquisition Corp. In February 2014, we changed our name to Corbus Pharmaceuticals Holdings, Inc. We are the parent company of Corbus Pharmaceuticals, Inc., our operating subsidiary, a Delaware corporation, which changed its name from JB Therapeutics, Inc. following the Merger.

Our principal offices are located at 100 River Drive, Norwood, MA 02062. Our web address is [www.corbuspharma.com](http://www.corbuspharma.com). Information contained in or accessible through our web site is not, and should not be deemed to be, part of this prospectus.

We currently do not own or license any U.S. federal trademark registrations or applications. Some trademarks referred to in this prospectus are referred to without the ® and ™ symbols, but such references should not be construed as any indicator that their respective owners will not assert, to the fullest extent under applicable law, their rights thereto. We do not intend the use or display of other companies’ trademarks and trade names to imply a relationship with, or endorsement or sponsorship of us by, any other companies.

## THE OFFERING

**Common Stock Outstanding** 25,260,000 shares (1)

**Common Stock Offered by Selling Stockholders** 20,245,451 shares (2)

### Use of Proceeds

We will not receive any proceeds from the sale of the common stock by the selling stockholders. We would, however, receive proceeds upon the exercise of the warrants held by the selling stockholders which, if such warrants are exercised in full, would be approximately \$10,640,315. Proceeds, if any, received from the exercise of such warrants will be used for working capital and general corporate purposes. No assurances can be given that any of such warrants will be exercised.

### Quotation of Common Stock

Our common stock is not presently traded on any market or securities exchange, and we have not at this time applied for listing or quotation on any exchange. We are seeking sponsorship for the trading of our common stock on the OTC Bulletin Board and/or OTCQB Market upon the effectiveness of the registration statement of which this prospectus forms a part. The 20,245,451 shares of our common stock can be sold by selling stockholders at a fixed price of \$1.00 per share until our shares are quoted on the OTC Bulletin Board and/or OTCQB Market and thereafter at prevailing market prices or privately negotiated prices. There can be no assurance that a market maker will agree to file the necessary documents with FINRA, nor can we provide any assurance that our shares will actually be quoted on the OTC Bulletin Board and/or OTCQB Market or, if quoted, that a viable public market will materialize.

### Risk Factors

An investment in our company is highly speculative and involves a significant degree of risk. See "Risk Factors" and other information included in this prospectus for a discussion of factors you should carefully consider before deciding to invest in shares of our common stock.

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- (1) Excludes: (i) outstanding options to purchase 1,596,882 shares of our common stock exercise prices ranging from \$0.11 to \$1.00 per share; (ii) up to 5,253,452 shares of our common stock that are available for issuance under our stock option plan; (iii) Investor Warrants exercisable for 10,260,000 shares of common stock at an exercise price of \$1.00 per share issued in our 2014 Private Placement, (iii) Merger Warrants exercisable for 917,612 shares of our common stock at an exercise price of \$1.00 per share issued in connection with the Merger, (iv) Replacement Warrants exercisable for 27,839 shares of our common stock at an exercise price of \$0.60 per share, (v) Additional Replacement Warrants exercisable for 350,000 shares of our common stock at an exercise price of \$0.66 per share, and (vi) the Placement Agent Warrants exercisable for 2,047,000 shares of our common stock at an exercise price of \$1.00 per share.
- (2) Includes: (i) 9,475,000 shares of our common stock underlying the Investor Warrants, which have an exercise price of \$1.00 per share, (ii) 917,612 shares of our common stock underlying the Merger Warrants, which have an exercise price of \$1.00 per share, (iii) Replacement Warrants exercisable for 27,839 shares of common stock at an exercise price of \$0.60 per share issued to existing warrant holders in JB Therapeutics, and (iv) Additional Replacement Warrants exercisable for 350,000 shares of common stock at an exercise price of \$0.66 per share.

## RISK FACTORS

*An investment in our common stock is speculative and illiquid and involves a high degree of risk including the risk of a loss of your entire investment. You should carefully consider the risks and uncertainties described below and the other information contained in this prospectus before purchasing shares of our common stock. The risks set forth below are not the only ones facing us. Additional risks and uncertainties may exist that could also adversely affect our business, operations and prospects. If any of the following risks actually materialize, our business, financial condition, prospects and/or operations could suffer. In such event, the value of our common stock could decline, and you could lose all or a substantial portion of the money that you pay for our common stock.*

### **Risk Related to our Company and our Business**

#### **Risks Related to Our Financial Position and Need for Capital**

*We are a pre-clinical stage biopharmaceutical company with a limited operating history.*

We are a pre-clinical stage biopharmaceutical company with a limited operating history. We have not commenced human clinical trials and will need to obtain FDA approval of our Investigational New Drug applications, or INDs, before clinical trials can commence. The likelihood of success of our business plan must be considered in light of the problems, substantial expenses, difficulties, complications and delays frequently encountered in connection with developing and expanding early-stage businesses and the regulatory and competitive environment in which we operate. Biopharmaceutical product development is a highly speculative undertaking, involves a substantial degree of risk and is a capital-intensive business.

Accordingly, you should consider our prospects in light of the costs, uncertainties, delays and difficulties frequently encountered by companies in the early stages of development, especially pre-clinical biopharmaceutical companies such as ours. Potential investors should carefully consider the risks and uncertainties that a company with a limited operating history will face. In particular, potential investors should consider that we cannot assure you that we will be able to:

- receive FDA approval of INDs for commencing our clinical trials;
- successfully implement or execute our current business plan, or that our business plan is sound;
- successfully complete clinical trials and obtain regulatory approval for the marketing of Resunab;
- successfully manufacture our clinical product and establish commercial drug supply;
- secure market exclusivity and/or adequate intellectual property protection for Resunab;
- attract and retain an experienced management and advisory team;
- secure acceptance of Resunab in the medical community and with third party payors and consumers;
- launch commercial sales of Resunab, whether alone or in collaboration with others; and
- raise sufficient funds in the capital markets to effectuate our business plan including clinical development, regulatory approval and commercialization for Resunab.

If we cannot successfully execute any one of the foregoing, our business may not succeed and your investment will be adversely affected.

***We have incurred operating losses in each year since our inception and expect to continue to incur substantial losses for the foreseeable future. We may never become profitable or, if achieved, be able to sustain profitability.***

We expect to incur substantial expenses without corresponding revenues unless and until we are able to obtain regulatory approval and successfully commercialize Resunab. We have been engaged in developing Resunab since 2009. To date, we have not generated any revenue from Resunab and we expect to incur significant expense to complete our clinical program for Resunab in the United States and elsewhere. We may never be able to obtain regulatory approval for the marketing of Resunab in any indication in the United States or internationally. Even if we are able to commercialize Resunab or any other product candidate, there can be no assurance that we will generate significant revenues or ever achieve profitability. Our net losses for the three and six months ended June 30, 2014 were approximately \$505,000 and \$621,000, respectively, and for the years ended December 31, 2013 and December 31, 2012 were approximately \$602,000 and approximately \$887,000, respectively. As of June 30, 2014, we had an accumulated deficit of approximately \$2,500,000.

Assuming we obtain FDA approval for Resunab, which we do not expect until 2018 at the earliest, we expect that our research and development expenses will continue to increase as we advance to clinical trials for indications for the treatment of cystic fibrosis and scleroderma. We may elect to pursue FDA approval for Resunab in other indications, which will result in significant additional research and development expenses. As a result, we expect to continue to incur substantial losses for the foreseeable future, and these losses will increase. We are uncertain when or if we will be able to achieve or sustain profitability. If we achieve profitability in the future, we may not be able to sustain profitability in subsequent periods. Failure to become and remain profitable would impair our ability to sustain operations and adversely affect the price of our common stock and our ability to raise capital.

***Our cash or cash equivalent will only fund our operations for a limited time and we will need to raise additional capital to support our development and commercialization efforts.***

We are currently operating at a loss and expect our operating costs will increase significantly as we incur costs related to the clinical trials for Resunab. We believe that our cash on hand will be sufficient to fund our operations for at least through the end of 2015.

We do not currently have any arrangements or credit facilities in place as a source of funds, and there can be no assurance that we will be able to raise sufficient additional capital on acceptable terms, or at all. We may seek additional capital through a combination of private and public equity offerings, debt financings and strategic collaborations. Debt financing, if obtained, may involve agreements that include covenants limiting or restricting our ability to take specific actions, such as incurring additional debt, and could increase our expenses and require that our assets secure such debt.

Moreover, any debt we incur must be repaid regardless of our operating results. At June 30, 2014, we had total debt outstanding of \$639,000 in connection with certain outstanding notes, of which \$284,000 was in default with additional maturities due of \$24,000 in 2014, \$327,000 in 2015, and \$4,000 in 2016. Equity financing, if obtained, could result in dilution to our then existing stockholders and/or require such stockholders to waive certain rights and preferences. If such financing is not available on satisfactory terms, or is not available at all, we may be required to delay, scale back or eliminate the development of business opportunities and our operations and financial condition may be materially adversely affected. We may have difficulty obtaining such financing while certain outstanding payments of our current debt remain in default. We can provide no assurances that any additional sources of financing will be available to us on favorable terms, if at all. In addition, if we are unable to secure sufficient capital to fund our operations, we might have to enter into strategic collaborations that could require us to share commercial rights to Resunab with third parties in ways that we currently do not intend or on terms that may not be favorable to us. If we choose to pursue additional indications and/or geographies for Resunab or otherwise expand more rapidly than we presently anticipate we may also need to raise additional capital sooner than expected.

#### **Risks Related to Product Development, Regulatory Approval, Manufacturing and Commercialization**

***We depend entirely on the success of Resunab, which has not yet demonstrated efficacy in Phase II clinical trials. If we are unable to generate revenues from Resunab, our ability to create stockholder value will be limited.***

Our only product candidate currently is Resunab, which has successfully completed Phase I safety studies but has not yet entered into Phase II clinical studies for cystic fibrosis or scleroderma. We do not generate revenues from any FDA approved drug products and have no other product candidates in development. We will be submitting INDs to the FDA seeking approval to initiate Phase IIa clinical trials in humans in the United States for the treatment of cystic fibrosis and scleroderma. We must submit the IND for Resunab to the FDA before we can commence Phase IIa clinical trials. The FDA may reject our IND for Resunab. If our IND is rejected, the time in which we expect to commence our Phase II clinical programs will be extended and such extension will increase our expenses and increase our need for additional capital. Moreover, there is no guarantee that our Phase II clinical trials will be successful or that we will continue with clinical studies to support an approval from the FDA for any indication. We note that most drug candidates never reach the clinical development stage and even those that do reach clinical development have only a small chance of successfully completing clinical development and gaining regulatory approval. Therefore, our business currently depends entirely on the successful development, regulatory approval and commercialization of Resunab, which may never occur.

***If we are not able to obtain any required regulatory approvals for Resunab, we will not be able to commercialize our only product candidate and our ability to generate revenue will be limited.***

We must successfully complete clinical trials for Resunab before we can apply for marketing approval. Even if we complete our clinical trials, it does not assure FDA approval. Our Phase IIa clinical trials may be unsuccessful, which would materially harm our business. Even if these Phase IIa clinical trials are successful, we are required to conduct additional clinical trials to establish Resunab's safety and efficacy, before a New Drug Application, or NDA, can be filed with the FDA for marketing approval of Resunab.

Clinical testing is expensive, is difficult to design and implement, can take many years to complete and is uncertain as to outcome. Success in early phases of pre-clinical and clinical trials does not ensure that later clinical trials will be successful, and interim results of a clinical trial do not necessarily predict final results. A failure of one or more of our clinical trials can occur at any stage of testing. We may experience numerous unforeseen events during, or as a result of, the clinical trial process that could delay or prevent our ability to receive regulatory approval or commercialize Resunab. The research, testing, manufacturing, labeling, packaging, storage, approval, sale, marketing, advertising and promotion, pricing, export, import and distribution of drug products are subject to extensive regulation by the FDA and other regulatory authorities in the United States and other countries, which regulations differ from country to country. We are not permitted to market Resunab as a prescription pharmaceutical product in the United States until we receive approval of an NDA from the FDA, or in any foreign countries until we receive the requisite approval from such countries. In the United States, the FDA generally requires the completion of clinical trials of each drug to establish its safety and efficacy and extensive pharmaceutical development to ensure its quality before an NDA is approved. Regulatory authorities in other jurisdictions impose similar requirements. Of the large number of drugs in development, only a small percentage result in the submission of an NDA to the FDA and even fewer are eventually approved for commercialization. We have never submitted an NDA to the FDA or comparable applications to other regulatory authorities. If our development efforts for Resunab, including regulatory approval, are not successful for its planned indications, or if adequate demand for Resunab is not generated, our business will be harmed.

Our success depends on the receipt of regulatory approval and the issuance of such regulatory approvals is uncertain and subject to a number of risks, including the following:

- the FDA or comparable foreign regulatory authorities or institutional review boards, or IRBs, may disagree with the design or implementation of our clinical trials;
- we may not be able to provide acceptable evidence of Resunab's safety and efficacy;
- the results of our clinical trials may not be satisfactory or may not meet the level of statistical or clinical significance required by the FDA, European Medicines Agency, or EMA, or other comparable foreign regulatory authorities for marketing approval;
- the dosing of Resunab in a particular clinical trial may not be at an optimal level;
- patients in our clinical trials may suffer adverse effects for reasons that may or may not be related to Resunab;
- the data collected from clinical trials may not be sufficient to support the submission of an NDA or other submission or to obtain regulatory approval in the United States or elsewhere;
- the FDA or comparable foreign regulatory authorities may fail to approve the manufacturing processes or facilities of third-party manufacturers with which we contract for clinical and commercial supplies; and
- the approval policies or regulations of the FDA or comparable foreign regulatory authorities may significantly change in a manner rendering our clinical data insufficient for approval.

Failure to obtain regulatory approval for Resunab for the foregoing or any other reasons will prevent us from commercializing this product candidate as a prescription product, and our ability to generate revenue will be materially impaired. We cannot guarantee that regulators will agree with our assessment of the results of the clinical trials we intend to conduct in the future or that such trials will be successful. The FDA, EMA and other regulators have substantial discretion in the approval process and may refuse to accept any application or may decide that our data is insufficient for approval and require additional clinical trials, or pre-clinical or other studies. In addition, varying interpretations of the data obtained from pre-clinical and clinical testing could delay, limit or prevent regulatory approval of a product candidate.

We are a pre-clinical stage company and we have not submitted an NDA or received regulatory approval to market Resunab in any jurisdiction. We have only limited experience in filing the applications necessary to gain regulatory approvals and expect to rely on consultants and third party contract research organizations, or CROs, with expertise in this area to assist us in this process. Securing FDA approval requires the submission of pre-clinical, clinical, and/or pharmacokinetic data, information about product manufacturing processes and inspection of facilities and supporting information to the FDA for each therapeutic indication to establish a product candidate's safety and efficacy for each indication. Resunab may prove to have undesirable or unintended side effects, toxicities or other characteristics that may preclude our obtaining regulatory approval or prevent or limit commercial use with respect to one or all intended indications.

The process of obtaining regulatory approvals is expensive, often takes many years, if approval is obtained at all, and can vary substantially based upon, among other things, the type, complexity and novelty of the product candidates involved, the jurisdiction in which regulatory approval is sought and the substantial discretion of the regulatory authorities. Changes in the regulatory approval policy during the development period, changes in or the enactment of additional statutes or regulations, or changes in regulatory review for a submitted product application may cause delays in the approval or rejection of an application. Regulatory approval obtained in one jurisdiction does not necessarily mean that a product candidate will receive regulatory approval in all jurisdictions in which we may seek approval, but the failure to obtain approval in one jurisdiction may negatively impact our ability to seek approval in a different jurisdiction. Failure to obtain regulatory marketing approval for Resunab in any indication will prevent us from commercializing the product candidate, and our ability to generate revenue will be materially impaired.

***Resunab is our only product candidate in development. If we fail to successfully commercialize Resunab, we may need to acquire additional product candidates and our business will be adversely affected.***

We have never commercialized any product candidates and do not have any other compounds in pre-clinical testing, lead optimization or lead identification stages beyond Resunab. We cannot be certain that Resunab will prove to be sufficiently effective and safe to meet applicable regulatory standards for any indication. If we fail to successfully commercialize Resunab as a treatment for cystic fibrosis, scleroderma or any other indication, whether as a stand-alone therapy or in combination with other treatments, our business would be adversely affected.

***Even if we receive regulatory approval for Resunab, we still may not be able to successfully commercialize this product, and the revenue that we generate from its sales, if any, may be limited.***

If approved for marketing, the commercial success of Resunab will depend upon its acceptance by the medical community, including physicians, patients and health care payors. The degree of market acceptance of Resunab will depend on a number of factors, including:

- demonstration of clinical safety and efficacy;
- relative convenience, pill burden and ease of administration;
- the prevalence and severity of any adverse effects;
- the willingness of physicians to prescribe Resunab and of the target patient population to try new therapies;
- efficacy of Resunab compared to competing products;
- the introduction of any new products that may in the future become available to treat indications for which Resunab may be approved;



- new procedures or methods of treatment that may reduce the incidences of any of the indications in which Resunab may show utility;
- pricing and cost-effectiveness;
- the inclusion or omission of Resunab in applicable treatment guidelines;
- the effectiveness of our or any future collaborators' sales and marketing strategies;
- limitations or warnings contained in FDA-approved labeling;
- our ability to obtain and maintain sufficient third-party coverage or reimbursement from government health care programs, including Medicare and Medicaid, private health insurers and other third-party payors; and
- the willingness of patients to pay out-of-pocket in the absence of third-party coverage or reimbursement.

If Resunab is approved, but does not achieve an adequate level of acceptance by physicians, health care payors and patients, we may not generate sufficient revenue and we may not be able to achieve or sustain profitability. Our efforts to educate the medical community and third-party payors on the benefits of Resunab may require significant resources and may never be successful.

In addition, even if we obtain regulatory approvals, the timing or scope of any approvals may prohibit or reduce our ability to commercialize Resunab successfully. For example, if the approval process takes too long, we may miss market opportunities and give other companies the ability to develop competing products or establish market dominance. Any regulatory approval we ultimately obtain may be limited or subject to restrictions or post-approval commitments that render Resunab not commercially viable. For example, regulatory authorities may approve Resunab for fewer or more limited indications than we request, may not approve the price we intend to charge for Resunab, may grant approval contingent on the performance of costly post-marketing clinical trials, or may approve Resunab with a label that does not include the labeling claims necessary or desirable for the successful commercialization of that indication. Further, the FDA or comparable foreign regulatory authorities may place conditions on approvals, such as risk management plans and a Risk Evaluation and Mitigation Strategy, or REMS, to assure the safe use of the drug. If the FDA concludes a REMS is needed, the sponsor of the NDA must submit a proposed REMS; the FDA will not approve the NDA without an approved REMS, if required. A REMS could include medication guides, physician communication plans, or elements to assure safe use, such as restricted distribution methods, patient registries and other risk minimization tools. The FDA may also require a REMS for an approved product when new safety information emerges. Any of these limitations on approval or marketing could restrict the commercial promotion, distribution, prescription or dispensing of Resunab. Moreover, product approvals may be withdrawn for non-compliance with regulatory standards or if problems occur following the initial marketing of the product. Any of the foregoing scenarios could materially harm the commercial success of Resunab.

***Even if we obtain marketing approval for Resunab, we will be subject to ongoing obligations and continued regulatory review, which may result in significant additional expense. Additionally, Resunab could be subject to labeling and other restrictions and withdrawal from the market and we may be subject to penalties if we fail to comply with regulatory requirements or if we experience unanticipated problems with Resunab.***

Even if we obtain United States regulatory approval of Resunab for an indication, the FDA may still impose significant restrictions on its indicated uses or marketing or the conditions of approval, or impose ongoing requirements for potentially costly and time-consuming post-approval studies, including Phase IV clinical trials, and post-market surveillance to monitor safety and efficacy. Resunab will also be subject to ongoing regulatory requirements governing the manufacturing, labeling, packaging, storage, distribution, safety surveillance, advertising, promotion, recordkeeping and reporting of adverse events and other post-market information. These requirements include registration with the FDA, as well as continued compliance with current Good Clinical Practices regulations, or cGCPs, for any clinical trials that we conduct post-approval. In addition, manufacturers of drug products and their facilities are subject to continual review and periodic inspections by the FDA and other regulatory authorities for compliance with current cGMP, requirements relating to quality control, quality assurance and corresponding maintenance of records and documents.

The FDA has the authority to require a risk evaluation and mitigation strategy, or REMS, as part of an NDA or after approval, which may impose further requirements or restrictions on the distribution or use of an approved drug, such as limiting prescribing to certain physicians or medical centers that have undergone specialized training, limiting treatment to patients who meet certain safe-use criteria or requiring patient testing, monitoring and/or enrollment in a registry.

With respect to sales and marketing activities by us or any future partner, advertising and promotional materials must comply with FDA rules in addition to other applicable federal, state and local laws in the United States and similar legal requirements in other countries. In the United States, the distribution of product samples to physicians must comply with the requirements of the U.S. Prescription Drug Marketing Act. Application holders must obtain FDA approval for product and manufacturing changes, depending on the nature of the change. We may also be subject, directly or indirectly through our customers and partners, to various fraud and abuse laws, including, without limitation, the U.S. Anti-Kickback Statute, U.S. False Claims Act, and similar state laws, which impact, among other things, our proposed sales, marketing, and scientific/educational grant programs. If we participate in the U.S. Medicaid Drug Rebate Program, the Federal Supply Schedule of the U.S. Department of Veterans Affairs, or other government drug programs, we will be subject to complex laws and regulations regarding reporting and payment obligations. All of these activities are also potentially subject to U.S. federal and state consumer protection and unfair competition laws. Similar requirements exist in many of these areas in other countries.

In addition, if Resunab is approved for an indication, our product labeling, advertising and promotion would be subject to regulatory requirements and continuing regulatory review. The FDA strictly regulates the promotional claims that may be made about prescription products. In particular, a product may not be promoted for uses that are not approved by the FDA as reflected in the product's approved labeling. If we receive marketing approval for Resunab, physicians may nevertheless legally prescribe our products to their patients in a manner that is inconsistent with the approved label. If we are found to have promoted such off-label uses, we may become subject to significant liability and government fines. The FDA and other agencies actively enforce the laws and regulations prohibiting the promotion of off-label uses by a company, and any company that is found to have improperly promoted off-label uses may be subject to significant sanctions. The federal government has levied large civil and criminal fines against companies for alleged improper promotion and has enjoined several companies from engaging in off-label promotion. The FDA has also requested that companies enter into consent decrees of permanent injunctions under which specified promotional conduct is changed or curtailed.

If we or a regulatory agency discover previously unknown problems with a product, such as adverse events of unanticipated severity or frequency, problems with the facility where the product is manufactured, or if we or our manufacturers fail to comply with applicable regulatory requirements, we may be subject to the following administrative or judicial sanctions:

- restrictions on the marketing or manufacturing of the product, withdrawal of the product from the market, or voluntary or mandatory product recalls;
- issuance of warning letters or untitled letters;
- clinical holds;
- injunctions or the imposition of civil or criminal penalties or monetary fines;
- suspension or withdrawal of regulatory approval;
- suspension of any ongoing clinical trials;

- refusal to approve pending applications or supplements to approved applications filed by us, or suspension or revocation of product license approvals;
- suspension or imposition of restrictions on operations, including costly new manufacturing requirements; or
- product seizure or detention or refusal to permit the import or export of product.

The occurrence of any event or penalty described above may inhibit our ability to commercialize Resunab and generate revenue. Adverse regulatory action, whether pre- or post-approval, can also potentially lead to product liability claims and increase our product liability exposure.

***We currently have no sales and marketing organization. If we are unable to secure a sales and marketing partner or establish satisfactory sales and marketing capabilities, we may not successfully commercialize Resunab.***

At present, we have no sales or marketing personnel. In order to commercialize products that are approved for commercial sales, we must either collaborate with third parties that have such commercial infrastructure or develop our own sales and marketing infrastructure. If we are not successful entering into appropriate collaboration arrangements, or recruiting sales and marketing personnel or in building a sales and marketing infrastructure, we will have difficulty successfully commercializing Resunab, which would adversely affect our business, operating results and financial condition.

We may not be able to enter into collaboration agreements on terms acceptable to us or at all. In addition, even if we enter into such relationships, we may have limited or no control over the sales, marketing and distribution activities of these third parties. Our future revenues may depend heavily on the success of the efforts of these third parties. If we elect to establish a sales and marketing infrastructure we may not realize a positive return on this investment. In addition, we will have to compete with established and well-funded pharmaceutical and biotechnology companies to recruit, hire, train and retain sales and marketing personnel. Factors that may inhibit our efforts to commercialize Resunab without strategic partners or licensees include:

- our inability to recruit and retain adequate numbers of effective sales and marketing personnel;
- the inability of sales personnel to obtain access to or persuade adequate numbers of physicians to prescribe Resunab;
- the lack of complementary products to be offered by sales personnel, which may put us at a competitive disadvantage relative to companies with more extensive product lines; and
- unforeseen costs and expenses associated with creating an independent sales and marketing organization.

***We face competition from other biotechnology and pharmaceutical companies and our operating results will suffer if we fail to compete effectively.***

The biotechnology and pharmaceutical industries are intensely competitive and subject to rapid and significant technological change. We have competitors in a number of jurisdictions, many of which have substantially greater name recognition, commercial infrastructures and financial, technical and personnel resources than we have. Established competitors may invest heavily to quickly discover and develop novel compounds that could make Resunab obsolete or uneconomical. Any new product that competes with an approved product may need to demonstrate compelling advantages in efficacy, cost, convenience, tolerability and safety to be commercially successful. Other competitive factors, including generic competition, could force us to lower prices or could result in reduced sales. In addition, new products developed by others could emerge as competitors to Resunab. If we are not able to compete effectively against our current and future competitors, our business will not grow and our financial condition and operations will suffer.

Our potential competitors both in the United States and Europe include companies developing and/or marketing drugs for cystic fibrosis, including Vertex, N30 and PCT Therapeutics, as well as companies working in the scleroderma field, including Bristol-Myers Squibb and Sanofi-Aventis.

***Recently enacted and future legislation may increase the difficulty and cost for us to obtain marketing approval of and commercialize Resunab and affect the prices we may obtain.***

In the United States and some foreign jurisdictions, there have been a number of legislative and regulatory changes and proposed changes regarding the healthcare system that could prevent or delay marketing approval for Resunab, restrict or regulate post-approval activities and affect our ability to profitably sell Resunab. Legislative and regulatory proposals have been made to expand post-approval requirements and restrict sales and promotional activities for pharmaceutical products. We do not know whether additional legislative changes will be enacted, or whether the FDA regulations, guidance or interpretations will be changed, or what the impact of such changes on the marketing approvals of Resunab, if any, may be. In addition, increased scrutiny by the U.S. Congress of the FDA's approval process may significantly delay or prevent marketing approval, as well as subject us to more stringent product labeling and post-marketing testing and other requirements.

In the United States, the Medicare Modernization Act, or MMA, changed the way Medicare covers and pays for pharmaceutical products. The legislation expanded Medicare coverage for drug purchases by the elderly and introduced a new reimbursement methodology based on average sales prices for drugs. In addition, this legislation authorized Medicare Part D prescription drug plans to use formularies where they can limit the number of drugs that will be covered in any therapeutic class. As a result of this legislation and the expansion of federal coverage of drug products, we expect that there will be additional pressure to contain and reduce costs. These cost reduction initiatives and other provisions of this legislation could decrease the coverage and price that we receive for Resunab and could seriously harm our business. While the MMA applies only to drug benefits for Medicare beneficiaries, private payors often follow Medicare coverage policy and payment limitations in setting their own reimbursement rates, and any reduction in reimbursement that results from the MMA may result in a similar reduction in payments from private payors.

In March 2010, President Obama signed into law the Patient Protection and Affordable Care Act, as amended by the Health Care and Education Affordability Reconciliation Act of 2010 or, collectively, the Health Care Reform Law, a sweeping law intended to broaden access to health insurance, reduce or constrain the growth of healthcare spending, enhance remedies against fraud and abuse, add new transparency requirements for healthcare and health insurance industries, impose new taxes and fees on the health industry and impose additional health policy reforms. Effective October 1, 2010, the Health Care Reform Law revised the definition of "average manufacturer price" for reporting purposes, which could increase the amount of Medicaid drug rebates to states. Further, the new law imposed a significant annual fee on companies that manufacture or import branded prescription drug products. Substantial new provisions affecting compliance have also been enacted, which may require us to modify our business practices with healthcare practitioners, and incur substantial costs to ensure compliance.

Despite initiatives to invalidate the Health Care Reform Law, at this time it appears the implementation of the Health Care Reform Law will continue. We will not know the full effects of the Health Care Reform Law until applicable federal and state agencies issue regulations or guidance under the new law. Although it is too early to determine the effect of the Health Care Reform Law, the new law appears likely to continue the pressure on pharmaceutical pricing, especially under the Medicare program, and may also increase our regulatory burdens and operating costs.

In addition, other legislative changes have been proposed and adopted in the United States since the Health Care Reform Law 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 up to 2% per fiscal year, starting in 2013. On January 2, 2013, President Obama signed into law the American Taxpayer Relief Act of 2012, or the ATRA, which delayed for another two months the budget cuts mandated by these sequestration provisions of the Budget Control Act of 2011. The ATRA, among other things, also 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. We expect that additional 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, and in turn could significantly reduce the projected value of certain development projects and reduce our profitability.

***Our future growth depends, in part, on our ability to penetrate foreign markets, where we would be subject to additional regulatory burdens and other risks and uncertainties.***

Our future profitability will depend, in part, on our ability to commercialize Resunab in foreign markets for which we intend to rely on collaborations with third parties. If we commercialize Resunab in foreign markets, we would be subject to additional risks and uncertainties, including:

- our customers' ability to obtain reimbursement for Resunab in foreign markets;
- our inability to directly control commercial activities because we are relying on third parties;
- the burden of complying with complex and changing foreign regulatory, tax, accounting and legal requirements;
- different medical practices and customs in foreign countries affecting acceptance in the marketplace;
- import or export licensing requirements;
- longer accounts receivable collection times;
- longer lead times for shipping;
- language barriers for technical training;
- reduced protection of intellectual property rights in some foreign countries;
- foreign currency exchange rate fluctuations; and
- the interpretation of contractual provisions governed by foreign laws in the event of a contract dispute.

Foreign sales of Resunab could also be adversely affected by the imposition of governmental controls, political and economic instability, trade restrictions and changes in tariffs, any of which may adversely affect our results of operations.

***If we market Resunab in a manner that violates healthcare fraud and abuse laws, or if we violate government price reporting laws, we may be subject to civil or criminal penalties.***

The FDA enforces laws and regulations which require that the promotion of pharmaceutical products be consistent with the approved prescribing information. While physicians may prescribe an approved product for a so-called "off label" use, it is unlawful for a pharmaceutical company to promote its products in a manner that is inconsistent with its approved label and any company which engages in such conduct can subject that company to significant liability. Similarly, industry codes in the EU and other foreign jurisdictions prohibit companies from engaging in off-label promotion and regulatory agencies in various countries enforce violations of the code with civil penalties. While we intend to ensure that our promotional materials are consistent with our label, regulatory agencies may disagree with our assessment and may issue untitled letters, warning letters or may institute other civil or criminal enforcement proceedings. In addition to FDA restrictions on marketing of pharmaceutical products, several other types of state and federal healthcare fraud and abuse laws have been applied in recent years to restrict certain marketing practices in the pharmaceutical industry. These laws include the U.S. Anti-Kickback Statute, U.S. False Claims Act and similar state laws. Because of the breadth of these laws and the narrowness of the safe harbors, it is possible that some of our business activities could be subject to challenge under one or more of these laws.

The U.S. Anti-Kickback Statute prohibits, among other things, knowingly and willfully offering, paying, soliciting or receiving remuneration to induce, or in return for, purchasing, leasing, ordering or arranging for the purchase, lease or order of any healthcare item or service reimbursable under Medicare, Medicaid or other federally financed healthcare programs. This statute has been interpreted broadly to apply to arrangements between pharmaceutical manufacturers on the one hand and prescribers, purchasers and formulary managers on the other. Although there are several statutory exemptions and regulatory safe harbors protecting certain common activities from prosecution, the exemptions and safe harbors are drawn narrowly, and practices that involve remuneration intended to induce prescribing, purchasing or recommending may be subject to scrutiny if they do not qualify for an exemption or safe harbor. Our practices may not, in all cases, meet all of the criteria for safe harbor protection from anti-kickback liability. Moreover, recent health care reform legislation has strengthened these laws. For example, the Health Care Reform Law, among other things, amends the intent requirement of the U.S. Anti-Kickback Statute and criminal health care fraud statutes; a person or entity no longer needs to have actual knowledge of this statute or specific intent to violate it. In addition, the Health Care Reform Law provides that the government may assert that a claim including items or services resulting from a violation of the U.S. Anti-Kickback Statute constitutes a false or fraudulent claim for purposes of the U.S. False Claims Act. Federal false claims laws prohibit any person from knowingly presenting, or causing to be presented, a false claim for payment to the federal government or knowingly making, or causing to be made, a false statement to get a false claim paid.

Over the past few years, pharmaceutical and other healthcare companies have been prosecuted under these laws for a variety of alleged promotional and marketing activities, such as: allegedly providing free trips, free goods, sham consulting fees and grants and other monetary benefits to prescribers; reporting to pricing services inflated average wholesale prices that were then used by federal programs to set reimbursement rates; engaging in off-label promotion that caused claims to be submitted to Medicare or Medicaid for non-covered, off-label uses; and submitting inflated best price information to the Medicaid Rebate Program to reduce liability for Medicaid rebates. Most states also have statutes or regulations similar to the U.S. Anti-Kickback Statute and the U.S. False Claims Act, which apply to items and services reimbursed under Medicaid and other state programs, or, in several states, apply regardless of the payor. Sanctions under these federal and state laws may include substantial civil monetary penalties, exclusion of a manufacturer's products from reimbursement under government programs, substantial criminal fines and imprisonment.

***We are, and will be, completely dependent on third parties to manufacture Resunab, and our commercialization of Resunab could be halted, delayed or made less profitable if those third parties fail to obtain manufacturing approval from the FDA or comparable foreign regulatory authorities, fail to provide us with sufficient quantities of Resunab or fail to do so at acceptable quality levels or prices.***

We do not currently have, nor do we plan to acquire, the capability or infrastructure to manufacture the active pharmaceutical ingredient, or API, in Resunab for use in our clinical trials or for commercial product, if any. In addition, we do not have the capability to encapsulate Resunab as a finished drug product for commercial distribution. As a result, we will be obligated to rely on contract manufacturers, if and when Resunab is approved for commercialization. We have not entered into an agreement with any contract manufacturers for commercial supply and may not be able to engage a contract manufacturer for commercial supply of Resunab on favorable terms to us, or at all.

The facilities used by our contract manufacturers to manufacture Resunab must be approved by the FDA pursuant to inspections that will be conducted after we submit our NDA to the FDA. We do not control the manufacturing process of, and are completely dependent on, our contract manufacturing partners for compliance with cGMPs for manufacture of both active drug substances and finished drug products. These cGMP regulations cover all aspects of the manufacturing, testing, quality control and record keeping relating to Resunab. If our contract manufacturers cannot successfully manufacture material that conforms to our specifications and the strict regulatory requirements of the FDA or others, they will not be able to secure and/or maintain regulatory approval for their manufacturing facilities. If the FDA or a comparable foreign regulatory authority does not approve these facilities for the manufacture of Resunab or if it withdraws any such approval in the future, we may need to find alternative manufacturing facilities, which would significantly impact our ability to develop, obtain regulatory approval for or market Resunab, if approved.

Our contract manufacturers will be subject to ongoing periodic unannounced inspections by the FDA and corresponding state and foreign agencies for compliance with cGMPs and similar regulatory requirements. We will not have control over our contract manufacturers' compliance with these regulations and standards. Failure by any of our contract manufacturers to comply with applicable regulations could result in sanctions being imposed on us, including fines, injunctions, civil penalties, failure to grant approval to market Resunab, delays, suspensions or withdrawals of approvals, operating restrictions and criminal prosecutions, any of which could significantly and adversely affect our business. In addition, we will not have control over the ability of our contract manufacturers to maintain adequate quality control, quality assurance and qualified personnel. Failure by our contract manufacturers to comply with or maintain any of these standards could adversely affect our ability to develop, obtain regulatory approval for or market Resunab.

If for any reason, these third parties are unable or unwilling to perform, we may not be able to terminate our agreements with them, and we may not be able to locate alternative manufacturers or formulators or enter into favorable agreements with them and we cannot be certain that any such third parties will have the manufacturing capacity to meet future requirements. If these manufacturers or any alternate manufacturer of finished drug product experiences any significant difficulties in its respective manufacturing processes for our API or finished Resunab product or should cease doing business with us, we could experience significant interruptions in the supply of Resunab or may not be able to create a supply of Resunab at all. Were we to encounter manufacturing issues, our ability to produce a sufficient supply of Resunab might be negatively affected. Our inability to coordinate the efforts of our third party manufacturing partners, or the lack of capacity available at our third party manufacturing partners, could impair our ability to supply Resunab at required levels. Because of the significant regulatory requirements that we would need to satisfy in order to qualify a new bulk or finished product manufacturer, if we face these or other difficulties with our current manufacturing partners, we could experience significant interruptions in the supply of Resunab if we decided to transfer the manufacture of Resunab to one or more alternative manufacturers in an effort to deal with the difficulties.

Any manufacturing problem or the loss of a contract manufacturer could be disruptive to our operations and result in lost sales. Additionally, we rely on third parties to supply the raw materials needed to manufacture our potential products. Any reliance on suppliers may involve several risks, including a potential inability to obtain critical materials and reduced control over production costs, delivery schedules, reliability and quality. Any unanticipated disruption to a future contract manufacturer caused by problems at suppliers could delay shipment of Resunab, increase our cost of goods sold and result in lost sales.

We cannot guarantee that our manufacturing and supply partners will be able to reduce the costs of commercial scale manufacturing of Resunab over time. If the commercial-scale manufacturing costs of Resunab are higher than expected, these costs may significantly impact our operating results. In order to reduce costs, we may need to develop and implement process improvements. However, in order to do so, we will need, from time to time, to notify or make submissions with regulatory authorities, and the improvements may be subject to approval by such regulatory authorities. We cannot be sure that we will receive these necessary approvals or that these approvals will be granted in a timely fashion. We also cannot guarantee that we will be able to enhance and optimize output in our commercial manufacturing process. If we cannot enhance and optimize output, we may not be able to reduce our costs over time.

***We expect that we will rely on third parties to conduct clinical trials for Resunab. If these third parties do not successfully carry out their contractual duties or meet expected deadlines, we may not be able to obtain regulatory approval for or commercialize Resunab and our business would be substantially harmed.***

We expect to enter into agreements with third-party CROs to conduct and manage our clinical programs including contracting with clinical sites to perform our clinical studies. We plan to rely heavily on these parties for execution of clinical studies for Resunab and will control only certain aspects of their activities. Nevertheless, we will be responsible for ensuring that each of our studies is conducted in accordance with the applicable protocol, legal, regulatory and scientific standards, and our reliance on CROs and clinical sites will not relieve us of our regulatory responsibilities. We and our CROs will be required to comply with cGCPs, which are regulations and guidelines enforced by the FDA, the Competent Authorities of the Member States of the European Economic Area and comparable foreign regulatory authorities for any products in clinical development. The FDA enforces these cGCP regulations through periodic inspections of trial sponsors, principal investigators and trial sites. If we or our CROs fail to comply with applicable cGCPs, the clinical data generated in our clinical trials may be deemed unreliable and the FDA or comparable foreign regulatory authorities may require us to perform additional clinical trials before approving our marketing applications. We cannot assure you that, upon inspection, the FDA will determine that any of our clinical trials comply with cGCPs. In addition, our clinical trials must be conducted with products produced under cGMP regulations and will require a large number of test subjects. Our failure or the failure of our CROs or clinical sites to comply with these regulations may require us to repeat clinical trials, which would delay the regulatory approval process and could also subject us to enforcement action up to and including civil and criminal penalties.

Although we intend to design the clinical trials for Resunab in consultation with CROs, we expect that the CROs will manage all of the clinical trials conducted at contracted clinical sites. As a result, many important aspects of our drug development programs would be outside of our direct control. In addition, the CROs and clinical sites may not perform all of their obligations under arrangements with us or in compliance with regulatory requirements. If the CROs or clinical sites do not perform clinical trials in a satisfactory manner, breach their obligations to us or fail to comply with regulatory requirements, the development and commercialization of Resunab for the subject indication may be delayed or our development program materially and irreversibly harmed. We cannot control the amount and timing of resources these CROs and clinical sites will devote to our program or Resunab. If we are unable to rely on clinical data collected by our CROs, we could be required to repeat, extend the duration of, or increase the size of our clinical trials, which could significantly delay commercialization and require significantly greater expenditures.

If any of our relationships with these third-party CROs or clinical sites terminate, we may not be able to enter into arrangements with alternative CROs or clinical sites. If CROs do not successfully carry out their contractual duties or obligations or meet expected deadlines, if they need to be replaced or if the quality or accuracy of the clinical data they obtain is compromised due to the failure to adhere to our clinical protocols, regulatory requirements or for other reasons, any such clinical trials may be extended, delayed or terminated, and we may not be able to obtain regulatory approval for or successfully commercialize Resunab. As a result, our financial results and the commercial prospects for Resunab would be harmed, our costs could increase and our ability to generate revenue could be delayed.

***Any termination or suspension of or delays in the commencement or completion of any necessary studies of Resunab for any indications could result in increased costs to us, delay or limit our ability to generate revenue and adversely affect our commercial prospects.***

The commencement and completion of clinical studies can be delayed for a number of reasons, including delays related to:

- the FDA failing to grant permission to proceed and placing the clinical study on hold;
- subjects failing to enroll or remain in our trials at the rate we expect;
- a facility manufacturing Resunab being ordered by the FDA or other government or regulatory authorities to temporarily or permanently shut down due to violations of cGMP requirements or other applicable requirements, or cross-contaminations of product in the manufacturing process;
- any changes to our manufacturing process that may be necessary or desired;
- subjects choosing an alternative treatment for the indications for which we are developing Resunab, or participating in competing clinical studies;



- subjects experiencing severe or unexpected drug-related adverse effects;
- reports of similar technologies and products raising safety and/or efficacy concerns;
- third-party clinical investigators losing their license or permits necessary to perform our clinical trials, not performing our clinical trials on our anticipated schedule or employing methods consistent with the clinical trial protocol, cGCP requirements, or other third parties not performing data collection and analysis in a timely or accurate manner;
- inspections of clinical study sites by the FDA or IRBs finding regulatory violations that require us to undertake corrective action, result in suspension or termination of one or more sites or the imposition of a clinical hold on the entire study, or that prohibit us from using some or all of the data in support of our marketing applications;
- third-party contractors becoming debarred or suspended or otherwise penalized by the FDA or other government or regulatory authorities for violations of regulatory requirements, in which case we may need to find a substitute contractor, and we may not be able to use some or any of the data produced by such contractors in support of our marketing applications;
- one or more IRBs refusing to approve, suspending or terminating the study at an investigational site precluding enrollment of additional subjects, or withdrawing its approval of the trial; reaching agreement on acceptable terms with prospective CROs and clinical trial sites, the terms of which can be subject to extensive negotiation and may vary significantly among different CROs and trial sites;
- deviations of the clinical sites from trial protocols or dropping out of a trial;
- adding new clinical trial sites;
- the inability of the CRO to execute any clinical trials for any reason; and
- government or regulatory delays or “clinical holds” requiring suspension or termination of a trial.

Product development costs for Resunab will increase if we have delays in testing or approval or if we need to perform more or larger clinical studies than planned. Additionally, changes in regulatory requirements and policies may occur and we may need to amend study protocols to reflect these changes. Amendments may require us to resubmit our study protocols to the FDA and IRBs for reexamination, which may impact the costs, timing or successful completion of that study. If we experience delays in completion of, or if we, the FDA or other regulatory authorities, the IRB, or other reviewing entities, or any of our clinical study sites suspend or terminate any of our clinical studies of Resunab, its commercial prospects may be materially harmed and our ability to generate product revenues will be delayed. Any delays in completing our clinical trials will increase our costs, slow down our development and approval process and jeopardize our ability to commence product sales and generate revenues. Any of these occurrences may harm our business, financial condition and prospects significantly. In addition, many of the factors that cause, or lead to, termination or suspension of, or a delay in the commencement or completion of, clinical studies may also ultimately lead to the denial of regulatory approval of Resunab. In addition, if one or more clinical studies are delayed, our competitors may be able to bring products to market before we do, and the commercial viability of Resunab could be significantly reduced.

***Clinical drug development involves a lengthy and expensive process with an uncertain outcome, and results of earlier studies and trials may not be predictive of future trial results.***

Clinical testing is expensive and can take many years to complete, and its outcome is inherently uncertain. Failure can occur at any time during the clinical trial process. The results of pre-clinical studies and early clinical trials may not be predictive of the results of later-stage clinical trials. We cannot assure you that the FDA will view the results as we do or that any future trials of Resunab will achieve positive results. Product candidates in later stages of clinical trials may fail to show the desired safety and efficacy traits despite having progressed through pre-clinical studies and initial clinical trials. A number of companies in the biopharmaceutical industry have suffered significant setbacks in advanced clinical trials due to lack of efficacy or adverse safety profiles, notwithstanding promising results in earlier trials. Any future clinical trial results for Resunab may not be successful.

In addition, a number of factors could contribute to a lack of favorable safety and efficacy results for Resunab. For example, such trials could result in increased variability due to varying site characteristics, such as local standards of care, differences in evaluation period and surgical technique, and due to varying patient characteristics including demographic factors and health status.

We intend to seek orphan drug status for Resunab for the treatment of cystic fibrosis and diffuse scleroderma, which, if approved by the FDA, will provide us with seven years of market exclusivity in the United States under the Orphan Drug Act. However, there is no guarantee that the FDA will grant any future application for orphan drug designation for Resunab, which would make us ineligible for the additional exclusivity and other benefits of orphan drug designation.

Under the Orphan Drug Act, the FDA may grant orphan drug designation to a drug intended to treat a rare disease or condition, which is generally a disease or condition that affects fewer than 200,000 individuals in the United States and for which there is no reasonable expectation that the cost of developing and making a drug available in the United States for this type of disease or condition will be recovered from sales of the product. Orphan drug designation must be requested before submitting an NDA. After the FDA grants orphan drug designation, the identity of the therapeutic agent and its potential orphan use are disclosed publicly by the FDA. Orphan product designation does not convey any advantage in or shorten the duration of regulatory review and approval process. In addition to the potential period of exclusivity, orphan designation makes a company eligible for grant funding of up to \$400,000 per year for four years to defray costs of clinical trial expenses, tax credits for clinical research expenses and potential exemption from the FDA application user fee.

If a product that has orphan designation subsequently receives the first FDA approval for the disease or condition for which it has such designation, the product is entitled to orphan drug exclusivity, which means the FDA may not approve any other applications to market the same drug for the same indication for seven years, except in limited circumstances, such as (i) the drug's orphan designation is revoked; (ii) its marketing approval is withdrawn; (iii) the orphan exclusivity holder consents to the approval of another applicant's product; (iv) the orphan exclusivity holder is unable to assure the availability of a sufficient quantity of drug; or (v) a showing of clinical superiority to the product with orphan exclusivity by a competitor product. If a drug designated as an orphan product receives marketing approval for an indication broader than what is designated, it may not be entitled to orphan drug exclusivity. There can be no assurance that we will receive orphan drug designation for Resunab in the indications of cystic fibrosis, scleroderma, or other inflammatory diseases, if we elect to seek such applications.

***Third-party coverage and reimbursement and health care cost containment initiatives and treatment guidelines may constrain our future revenues.***

Our ability to successfully market Resunab will depend in part on the level of reimbursement that government health administration authorities, private health coverage insurers and other organizations provide for the cost of our products and related treatments. Countries in which Resunab is expected to be sold through reimbursement schemes under national health insurance programs frequently require that manufacturers and sellers of pharmaceutical products obtain governmental approval of initial prices and any subsequent price increases. In certain countries, including the United States, government-funded and private medical care plans can exert significant indirect pressure on prices. We may not be able to sell Resunab profitably if adequate prices are not approved or coverage and reimbursement is unavailable or limited in scope. Increasingly, third-party payors attempt to contain health care costs in ways that are likely to impact our development of products including:

- failing to approve or challenging the prices charged for health care products;
- introducing reimportation schemes from lower priced jurisdictions;
- limiting both coverage and the amount of reimbursement for new therapeutic products;

- denying or limiting coverage for products that are approved by the regulatory agencies but are considered to be experimental or investigational by third-party payors; and
- refusing to provide coverage when an approved product is used in a way that has not received regulatory marketing approval.

### **Risks Relating to Our Intellectual Property Rights**

*It is difficult and costly to protect our intellectual property rights, and we cannot ensure the protection of these rights.*

Our commercial success will depend, in part, on obtaining and maintaining patent protection for our technologies, products and processes, successfully defending these patents against third-party challenges and successfully enforcing these patents against third party competitors. The patent positions of pharmaceutical companies can be highly uncertain and involve complex legal, scientific and factual questions for which important legal principles remain unresolved. Changes in either the patent laws or in interpretations of patent laws may diminish the value of our intellectual property. Accordingly, we cannot predict the breadth of claims that may be allowable or enforceable in our patents (including patents owned by us). We currently have one issued patent and the three pending patent applications for Resunab may never be approved by United States or foreign patent offices and the existing patent and patent applications relating to Resunab and related technologies may be challenged, invalidated or circumvented by third parties and might not protect us against competitors with similar products or technologies.

The degree of future protection for our proprietary rights is uncertain, because legal means afford only limited protection and may not adequately protect our rights, permit us to gain or keep our competitive advantage, or provide us with any competitive advantage at all. For example, others have filed, and in the future are likely to file, patent applications covering products and technologies that are similar, identical or competitive to Resunab, or important to our business. We cannot be certain that any patent application owned by a third party will not have priority over patent applications filed by us, or that we will not be involved in interference, opposition or invalidity proceedings before United States or foreign patent offices.

We also rely on trade secrets to protect technology, especially in cases when we believe patent protection is not appropriate or obtainable. However, trade secrets are difficult to protect. While we require employees, academic collaborators, consultants and other contractors to enter into confidentiality agreements, we may not be able to adequately protect our trade secrets or other proprietary or licensed information. Typically, research collaborators and scientific advisors have rights to publish data and information in which we may have rights. If we cannot maintain the confidentiality of our proprietary technology and other confidential information, our ability to receive patent protection and our ability to protect valuable information owned by us may be imperiled. Enforcing a claim that a third-party entity illegally obtained and is using any of our trade secrets is expensive and time consuming, and the outcome is unpredictable. In addition, courts are sometimes less willing to protect trade secrets than patents. Moreover, our competitors may independently develop equivalent knowledge, methods and know-how.

If we fail to obtain or maintain patent protection or trade secret protection for Resunab or our technologies, third parties could use our proprietary information, which could impair our ability to compete in the market and adversely affect our ability to generate revenues and attain profitability.

We may also rely on the trademarks we may develop to distinguish our products from the products of our competitors. We cannot guarantee that any trademark applications filed by us or our business partners will be approved. Third parties may also oppose such trademark applications, or otherwise challenge our use of the trademarks. In the event that the trademarks we use are successfully challenged, we could be forced to rebrand our products, which could result in loss of brand recognition, and could require us to devote resources to advertising and marketing new brands. Further, we cannot provide assurance that competitors will not infringe the trademarks we use, or that we will have adequate resources to enforce these trademarks.

***Resunab may infringe the intellectual property rights of others, which could increase our costs and delay or prevent our development and commercialization efforts.***

Our success depends in part on avoiding infringement of the proprietary technologies of others. The pharmaceutical industry has been characterized by frequent litigation regarding patent and other intellectual property rights. Identification of third party patent rights that may be relevant to our proprietary technology is difficult because patent searching is imperfect due to differences in terminology among patents, incomplete databases and the difficulty in assessing the meaning of patent claims. Additionally, because patent applications are maintained in secrecy until the application is published, we may be unaware of third-party, patents that may be infringed by commercialization of Resunab or any future product candidate. There may be certain issued patents and patent applications claiming subject matter that we may be required to license in order to research, develop or commercialize Resunab, and we do not know if such patents and patent applications would be available to license on commercially reasonable terms, or at all. Any claims of patent infringement asserted by third parties would be time-consuming and may:

- result in costly litigation;
- divert the time and attention of our technical personnel and management;
- prevent us from commercializing a product until the asserted patent expires or is held finally invalid or not infringed in a court of law;
- require us to cease or modify our use of the technology and/or develop non-infringing technology; or
- require us to enter into royalty or licensing agreements.

Although no third party has asserted a claim of infringement against us, others may hold proprietary rights that could prevent Resunab from being marketed. Any patent-related legal action against us claiming damages and seeking to enjoin commercial activities relating to Resunab or our processes could subject us to potential liability for damages and require us to obtain a license to continue to manufacture or market Resunab or any future product candidates. We cannot predict whether we would prevail in any such actions or that any license required under any of these patents would be made available on commercially acceptable terms, if at all. In addition, we cannot be sure that we could redesign Resunab or any future product candidates or processes to avoid infringement, if necessary. Accordingly, an adverse determination in a judicial or administrative proceeding, or the failure to obtain necessary licenses, could prevent us from developing and commercializing Resunab or a future product candidate, which could harm our business, financial condition and operating results.

A number of companies, including several major pharmaceutical companies, have conducted research on anti-inflammatory and anti-fibrosis therapies which resulted in the filing of many patent applications related to this research. If we were to challenge the validity of these or any issued United States patent in court, we would need to overcome a statutory presumption of validity that attaches to every issued United States patent. This means that, in order to prevail, we would have to present clear and convincing evidence as to the invalidity of the patent's claims. If we were to challenge the validity of these or any issued United States patent in an administrative trial before the Patent Trial and Appeal Board in the United States Patent and Trademark Office, we would have to prove that the claims are unpatentable by a preponderance of the evidence. There is no assurance that a jury and/or court would find in our favor on questions of infringement, validity or enforceability.

***We may be subject to claims that we have wrongfully hired an employee from a competitor or that we or our employees have wrongfully used or disclosed alleged confidential information or trade secrets of their former employers.***

As is commonplace in our industry, we employ individuals who were previously employed at other pharmaceutical companies, including our competitors or potential competitors. Although no claims against us are currently pending, we may be subject in the future to claims that our employees or prospective employees are subject to a continuing obligation to their former employers (such as non-competition or non-solicitation obligations) or claims that our employees or we have inadvertently or otherwise used or disclosed trade secrets or other proprietary information of their former employers. Litigation may be necessary to defend against these claims. Even if we are successful in defending against these claims, litigation could result in substantial costs and be a distraction to management.

## General Company-Related Risks

*We will need to grow the size of our organization, and we may experience difficulties in managing this growth.*

We currently have four employees. As our development and commercialization plans and strategies develop, we will need to expand the size of our employee base for managerial, operational, sales, marketing, financial and other resources. Future growth would impose significant added responsibilities on members of management, including the need to identify, recruit, maintain, motivate and integrate additional employees. In addition, our management may have to divert a disproportionate amount of its attention away from our day-to-day activities and devote a substantial amount of time to managing these growth activities. Our future financial performance and our ability to commercialize Resunab and any other future product candidates and our ability to compete effectively will depend, in part, on our ability to effectively manage our future growth.

*Future capital raises may dilute our existing stockholders' ownership and/or have other adverse effects on our operations.*

If we raise additional capital by issuing equity securities, our existing stockholders' percentage ownership will be reduced and these stockholders may experience substantial dilution. We may also issue equity securities that provide for rights, preferences and privileges senior to those of our common stock. If we raise additional funds by issuing debt securities, these debt securities would have rights senior to those of our common stock and the terms of the debt securities issued could impose significant restrictions on our operations, including liens on our assets. If we raise additional funds through collaborations and licensing arrangements, we may be required to relinquish some rights to our technologies or candidate products, or to grant licenses on terms that are not favorable to us.

*If we are not successful in attracting and retaining highly qualified personnel, we may not be able to successfully implement our business strategy. In addition, the loss of the services of certain key employees, including Yuval Cohen, our CEO, Mark Tepper, our President and Chief Scientific Officer, Barbara White, our Chief Medical Officer and Sean Moran, our Chief Financial Officer would adversely impact our business prospects.*

Our ability to compete in the highly competitive pharmaceuticals industry depends in large part upon our ability to attract highly qualified managerial, scientific and medical personnel. In order to induce valuable employees to remain with us, we intend to provide employees with stock options that vest over time. The value to employees of stock options that vest over time will be significantly affected by movements in our stock price that we will not be able to control and may at any time be insufficient to counteract more lucrative offers from other companies.

Our management team has expertise in many different aspects of drug development and commercialization. However, we will need to hire additional personnel as we further develop Resunab. Competition for skilled personnel in our market is intense and competition for experienced scientists may limit our ability to hire and retain highly qualified personnel on acceptable terms. Despite our efforts to retain valuable employees, members of our management, scientific and medical teams may terminate their employment with us on short notice. In connection with the Merger, we will enter into employment agreements with certain of our executive officers. However, these employment arrangements will provide for at-will employment, which means that any of our employees could leave our employment at any time, with or without notice. The loss of the services of any of our executive officers or other key employees could potentially harm our business, operating results or financial condition. In particular, we believe that the loss of the services of Yuval Cohen Ph.D., our Chief Executive Officer, Mark Tepper Ph.D., our President and Chief Scientific Officer, Barbara White, M.D., our Chief Medical Officer and Sean Moran, C.P.A., M.B.A., our Chief Financial Officer, would have a material adverse effect on our business. Our success also depends on our ability to continue to attract, retain and motivate highly skilled junior, mid-level, and senior managers as well as junior, mid-level, and senior scientific and medical personnel.

Other pharmaceutical companies with which we compete for qualified personnel have greater financial and other resources, different risk profiles, and a longer history in the industry than we do. They also may provide more diverse opportunities and better chances for career advancement. Some of these characteristics may be more appealing to high-quality candidates than what we have to offer. If we are unable to continue to attract and retain high-quality personnel, the rate and success at which we can develop and commercialize product candidates would be limited.

***If product liability lawsuits are brought against us, we may incur substantial liabilities and may be required to limit commercialization of Resunab.***

We face a potential risk of product liability as a result of the clinical testing of Resunab and will face an even greater risk if we commercialize Resunab or any other future product. For example, we may be sued if any product we develop, including Resunab, or any materials that we use in our products allegedly causes injury or is found to be otherwise unsuitable during product testing, manufacturing, marketing or sale. Any such product liability claims may include allegations of defects in manufacturing, defects in design, a failure to warn of dangers inherent in the product, negligence, strict liability and a breach of warranties. Claims could also be asserted under state consumer protection acts. If we cannot successfully defend ourselves against product liability claims, we may incur substantial liabilities or be required to limit commercialization of Resunab. Even successful defense would require significant financial and management resources. Regardless of the merits or eventual outcome, liability claims may result in:

- decreased demand for Resunab or any future products that we may develop;
- injury to our reputation;
- withdrawal of clinical trial participants;
- costs to defend the related litigation;
- a diversion of management's time and our resources;
- substantial monetary awards to trial participants or patients;
- product recalls, withdrawals or labeling, marketing or promotional restrictions;
- the inability to commercialize Resunab; and
- a decline in the value of our stock.

Our inability to obtain and retain sufficient product liability insurance at an acceptable cost to protect against potential product liability claims could prevent or inhibit the commercialization of products we develop. We intend to obtain product liability insurance covering our clinical trials. Although we will maintain such insurance, any claim that may be brought against us could result in a court judgment or settlement in an amount that is not covered, in whole or in part, by our insurance or that is in excess of the limits of our insurance coverage. Our insurance policies also have various exclusions, and we may be subject to a product liability claim for which we have no coverage. We may have to pay any amounts awarded by a court or negotiated in a settlement that exceed our coverage limitations or that are not covered by our insurance, and we may not have, or be able to obtain, sufficient capital to pay such amounts.

***We may acquire businesses or products, or form strategic alliances, in the future, and we may not realize the benefits of such acquisitions.***

We may acquire additional businesses or products, form strategic alliances or create joint ventures with third parties that we believe will complement or augment our existing business. If we acquire businesses with promising markets or technologies, we may not be able to realize the benefit of acquiring such businesses if we are unable to successfully integrate them with our existing operations and company culture. We may encounter numerous difficulties in developing, manufacturing and marketing any new products resulting from a strategic alliance or acquisition that delay or prevent us from realizing their expected benefits or enhancing our business. We cannot assure you that, following any such acquisition, we will achieve the expected synergies to justify the transaction.

#### **Risks Related to our Common Stock**

***Our majority stockholders will control our company for the foreseeable future, including the outcome of matters requiring stockholder approval.***

Our officers, directors, founders and affiliates of the Placement Agent collectively own approximately 47.7% of our outstanding shares of common stock. In addition, these stockholders entered into a voting agreement in connection with the Merger, whereby they agreed to vote in favor of nominees for directors selected by the parties to the voting agreement as described herein. As a result, such entities and individuals will have the ability, acting together, to control the election of our directors and the outcome of corporate actions requiring stockholder approval, such as: (i) a merger or a sale of our company, (ii) a sale of all or substantially all of our assets, and (iii) amendments to our articles of incorporation and bylaws. This concentration of voting power and control could have a significant effect in delaying, deferring or preventing an action that might otherwise be beneficial to our other stockholders and be disadvantageous to our stockholders (including investors in this Offering) with interests different from those entities and individuals. Certain of these individuals also have significant control over our business, policies and affairs as officers or directors of our company. Therefore, you should not invest in reliance on your ability to have any control over our company.

***An investment in our company should be considered illiquid.***

An investment in our company requires a long-term commitment, with no certainty of return. Because we do not plan to become an SEC reporting company by the traditional means of conducting an initial public offering of our common stock, we may be unable to establish a liquid market for our common stock. Moreover, we do not expect security analysts of brokerage firms to provide coverage of our company in the near future. In addition, investment banks may be less likely to agree to underwrite primary or secondary offerings on behalf of our company or its stockholders in the future than they would if we were to become a public reporting company by means of an initial public offering of common stock. If all or any of the foregoing risks occur, it would have a material adverse effect on our company.

***No public market for our common stock currently exists, and an active trading market may not develop or be sustained.***

As we are in our early stages, an investment in our company will require a long-term commitment, with no certainty of return. There is no public market for our common stock, and even if we become a publicly-listed company, of which no assurances can be given, we cannot predict whether an active market for our common stock will ever develop in the future. In the absence of an active trading market:

- investors may have difficulty buying and selling or obtaining market quotations;
- market visibility for shares of our common stock may be limited; and
- a lack of visibility for shares of our common stock may have a depressive effect on the market price for shares of our common stock.

Assuming we can find market makers to establish quotations for our common stock, we expect that our common stock will be quoted on the OTC Bulletin Board (known as the OTCBB) or OTCQB market operated by OTC Markets Group, Inc. These markets are relatively unorganized, inter-dealer, over-the-counter markets that provide significantly less liquidity than NASDAQ or the NYSE MKT. No assurances can be given that our common stock, even if quoted on such markets, will ever trade on such markets, much less a senior market like NASDAQ or NYSE MKT. In this event, there would be a highly illiquid market for our common stock and you may be unable to dispose of your common stock at desirable prices or at all. Moreover, there is a risk that our common stock could be delisted from the OTCBB/OTCQB, in which case it might be listed on the so called "Pink Sheets", which is even more illiquid than the OTC Bulletin Board.

The lack of an active market impairs your ability to sell your shares at the time you wish to sell them or at a price that you consider reasonable. The lack of an active market may also reduce the fair market value of your shares. An inactive market may also impair our ability to raise capital to continue to fund operations by selling shares and may impair our ability to acquire additional intellectual property assets by using our shares as consideration.

***We may not qualify for OTC Bulletin Board inclusion, and therefore you may be unable to sell your shares.***

We believe that, at some time following the effectiveness of this registration statement of which this prospectus forms a part our common stock will become eligible for quotation on the OTC Bulletin Board and/or OTCQB Market, which we refer to herein as the OTCBB/OTCQB. No assurances can be given, however, that this eligibility will be granted. OTCBB/OTCQB eligible securities include securities not listed on a registered national securities exchange in the U.S. and that are also required to file reports pursuant to Section 13 or 15(d) of the Securities Act of 1933, as amended (which we refer to herein as the Securities Act), and require that we be current in its periodic securities reporting obligations.

Among other matters, in order for our common stock to become OTCBB/OTCQB eligible, a broker/dealer member of FINRA, must file a Form 211 with FINRA and commit to make a market in our securities once the Form 211 is approved by FINRA. As of the date of this offering memorandum, a Form 211 has not been filed with FINRA by any broker/dealer. If for any reason our common stock does not become eligible for quotation on the OTCBB/OTCQB or a public trading market does not develop, purchasers of shares of our common stock may have difficulty selling their shares should they desire to do so. If we are unable to satisfy the requirements for quotation on the OTCBB/OTCQB, any quotation of in our common stock would be conducted in the "pink" sheets market. As a result, a purchaser of our common stock may find it more difficult to dispose of, or to obtain accurate quotations as to the price of their shares.

***Even if our common stock becomes publicly-traded and an active trading market develops, the market price of our common stock may be significantly volatile.***

Even if our securities become publicly-traded and even if an active market for our common stock develops, of which no assurances can be given, the market price for our common stock may be volatile and subject to wide fluctuations in response to factors including the following:

- actual or anticipated fluctuations in our quarterly or annual operating results;
- changes in financial or operational estimates or projections;
- conditions in markets generally;
- changes in the economic performance or market valuations of companies similar to ours; and
- general economic or political conditions in the United States or elsewhere.

In particular, the market prices of biotechnology companies like ours have been highly volatile due to factors, including, but not limited to:

- any delay or failure to conduct a clinical trial for our product or receive approval from the FDA and other regulatory agents;



- developments or disputes concerning our product’s intellectual property rights;
- our or our competitors’ technological innovations;
- changes in market valuations of similar companies;
- announcements by us or our competitors of significant contracts, acquisitions, strategic partnerships, joint ventures, capital commitments, new technologies, or patents; and
- failure to complete significant transactions or collaborate with vendors in manufacturing our product.

The securities market has from time to time experienced significant price and volume fluctuations that are not related to the operating performance of particular companies. These market fluctuations may also materially and adversely affect the market price of shares of our common stock.

***The registration for resale of a significant portion of our outstanding shares of common stock in this registration statement may have a depressive effect on our stock price.***

We are registering for resale 9,475,000 shares of our common stock plus 10,770,451 shares of common stock underlying outstanding warrants. If our existing stockholders sell substantial amounts of our common stock in the public market, or if the public perceives that such sales could occur, this could have an adverse impact on the market price of our common stock, even if there is no relationship between such sales and the performance of our business.

***Our common stock may be considered a “penny stock,” and thereby be subject to additional sale and trading regulations that may make it more difficult to sell.***

The Securities and Exchange Commission, or SEC, has adopted rules that regulate broker-dealer practices in connection with transactions in penny stocks. Penny stocks are generally equity securities with a price of less than \$5.00 (other than securities registered on certain national securities exchanges or authorized for quotation on certain automated quotation systems, provided that current price and volume information with respect to transactions in such securities is provided by the exchange or system). The OTCBB does not meet such requirements and if the price of our common stock is less than \$5.00, our common stock will be deemed penny stock. The penny stock rules require a broker-dealer, prior to a transaction in a penny stock not otherwise exempt from those rules, to deliver a standardized risk disclosure document containing specified information. In addition, the penny stock rules require that prior to effecting any transaction in a penny stock not otherwise exempt from those rules, a broker-dealer must make a special written determination that the penny stock is a suitable investment for the purchaser and receive (i) the purchaser’s written acknowledgment of the receipt of a risk disclosure statement; (ii) a written agreement to transactions involving penny stocks; and (iii) a signed and dated copy of a written suitability statement. These disclosure requirements may have the effect of reducing the trading activity in the secondary market for our common stock, and therefore stock holders may have difficulty selling their shares once our common stock is publicly traded.

***FINRA sales practice requirements may also limit your ability to buy and sell our common stock, which could depress the price of our shares.***

FINRA rules require broker-dealers to have reasonable grounds for believing that an investment is suitable for a customer before recommending that investment to the customer. Prior to recommending speculative low-priced securities to their non-institutional customers, broker-dealers must make reasonable efforts to obtain information about the customer’s financial status, tax status and investment objectives, among other things. Under interpretations of these rules, FINRA believes that there is a high probability such speculative low-priced securities will not be suitable for at least some customers. Thus, FINRA requirements make it more difficult for broker-dealers to recommend that their customers buy our common stock, which may limit your ability to buy and sell our shares once publicly traded, have an adverse effect on the market for our shares, and thereby depress our share price.

***You may face significant restrictions on the resale of your shares due to state “blue sky” laws.***

Each state has its own securities laws, often called “blue sky” laws, which (1) limit sales of securities to a state’s residents unless the securities are registered in that state or qualify for an exemption from registration, and (2) govern the reporting requirements for broker-dealers doing business directly or indirectly in the state. Before a security is sold in a state, there must be a registration in place to cover the transaction, or it must be exempt from registration. The applicable broker-dealer must also be registered in that state.

We do not know whether our securities will be registered or exempt from registration under the laws of any state. A determination regarding registration will be made by those broker-dealers, if any, who agree to serve as market makers for our common stock. We have not yet applied to have our securities registered in any state and will not do so until we receive expressions of interest from investors resident in specific states in the future. There may be significant state blue sky law restrictions on the ability of investors to sell, and on purchasers to buy, our securities. You should therefore consider the resale market for our common stock to be limited, as you may be unable to resell your shares without the significant expense of state registration or qualification.

***We are an “emerging growth company,” and will be able take advantage of reduced disclosure requirements applicable to “emerging growth companies,” which could 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 JOBS Act, and, for as long as we continue to be an “emerging growth company,” we intend to take advantage of certain exemptions from various reporting requirements applicable to other public companies but not to “emerging growth companies,” including, but not limited to, not being required to comply with the auditor attestation requirements of Section 404 of the Sarbanes-Oxley Act, reduced disclosure obligations regarding executive compensation in our periodic reports and proxy 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 could be an “emerging growth company” for up to five years, or until the earliest of (i) the last day of the first fiscal year in which our annual gross revenues exceed \$1 billion, (ii) the date that we become a “large accelerated filer” as defined in Rule 12b-2 under the Exchange Act, which would occur if the market value of our common stock that is held by non-affiliates exceeds \$700 million as of the last business day of our most recently completed second fiscal quarter, or (iii) the date on which we have issued more than \$1 billion in non-convertible debt during the preceding three year period.

We intend to take advantage of these reporting exemptions described above until we are no longer an “emerging growth company.” Under the JOBS Act, “emerging growth companies” can also delay adopting new or revised accounting standards until such time as those standards apply to private companies. We have irrevocably elected not to avail ourselves of this exemption from new or revised accounting standards 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 cannot predict if investors will find our common stock less attractive if we choose to rely on these exemptions. If some investors find our common stock less attractive as a result of any choices to reduce future disclosure, there may be a less active trading market for our common stock and our stock price may be more volatile.

***We will incur significantly increased costs and devote substantial management time as a result of operating as a public company particularly after we are no longer an “emerging growth company.”***

As a public company, we will incur significant legal, accounting and other expenses that we did not incur as a private company. For example, we will be required to comply with certain of the requirements of the Sarbanes-Oxley Act and the Dodd-Frank Wall Street Reform and Consumer Protection Act, as well as rules and regulations subsequently implemented by the SEC, including the establishment and maintenance of effective disclosure and financial controls and changes in corporate governance practices. We expect that compliance with these requirements will increase our legal and financial compliance costs and will make some activities more time consuming and costly. In addition, we expect that our management and other personnel will need to divert attention from operational and other business matters to devote substantial time to these public company requirements. In particular, we expect to incur significant expenses and devote substantial management effort toward ensuring compliance with the requirements of Section 404 of the Sarbanes-Oxley Act. In addition after we are no longer qualify as an “emerging growth company,” as defined under the JOBS ACT we expect to incur additional management time and cost to comply with the more stringent reporting requirements applicable to companies that are deemed accelerated filers or large accelerated filers, including complying with the auditor attestation requirements of Section 404 of the Sarbanes-Oxley Act. We are just beginning the process of compiling the system and processing documentation needed to comply with such requirements. We may not be able to complete our evaluation, testing and any required remediation in a timely fashion. In that regard, we currently do not have an internal audit function, and we will need to hire or contract for additional accounting and financial staff with appropriate public company experience and technical accounting knowledge.

We cannot predict or estimate the amount of additional costs we may incur as a result of becoming a public company or the timing of such costs.

***There may be limitations on the effectiveness of our internal controls, and a failure of our control systems to prevent error or fraud may materially harm our company.***

Proper systems of internal controls over financial accounting and disclosure are critical to the operation of a public company. As we are a start-up company, we only have four employees which results in a lack of segregation of duties and are at the very early stages of establishing, and we may be unable to effectively establish such systems, especially in light of the fact that we expect to operate as a publicly reporting company. This would leave us without the ability to reliably assimilate and compile financial information about our company and significantly impair our ability to prevent error and detect fraud, all of which would have a negative impact on our company from many perspectives.

Moreover, we do not expect that disclosure controls or internal control over financial reporting, even if established, will prevent all error and all fraud. A control system, no matter how well designed and operated, can provide only reasonable, not absolute, assurance that the control system’s objectives will be met. Further, the design of a control system must reflect the fact that there are resource constraints and the benefits of controls must be considered relative to their costs. Because of the inherent limitations in all control systems, no evaluation of controls can provide absolute assurance that all control issues and instances of fraud, if any, have been detected. Failure of our control systems to prevent error or fraud could materially adversely impact us.

***We may be unable to complete our analysis of our internal controls over financial reporting in a timely manner, or these internal controls may not be determined to be effective, which may adversely affect investor confidence in our company and, as a result, the value of our common stock.***

We may be required, pursuant to Section 404 of the Sarbanes-Oxley Act, to furnish a report by our management on, among other things, the effectiveness of our internal control over financial reporting for the first fiscal year beginning after the effective date of the registration statement of which this prospectus is a part. This assessment will need to include disclosure of any material weaknesses identified by our management in our internal control over financial reporting, as well as a statement that our independent registered public accounting firm has issued an opinion on our internal control over financial reporting.

We are in the very early stages of the costly and challenging process of compiling the system and processing documentation necessary to perform the evaluation needed to comply with Section 404. We may not be able to complete our evaluation, testing and any required remediation in a timely fashion. During the evaluation and testing process, if we identify one or more material weaknesses in our internal control over financial reporting, we will be unable to assert that our internal controls are effective.

If we are unable to assert that our internal control over financial reporting is effective, or, if applicable, our independent registered public accounting firm is unable to express an opinion on the effectiveness of our internal controls, we could lose investor confidence in the accuracy and completeness of our financial reports, which would cause the price of our common stock to decline, and we may be subject to investigation or sanctions by the SEC. We will also be required to disclose changes made in our internal control and procedures on a quarterly basis.

However, our independent registered public accounting firm will not be required to formally attest to the effectiveness of our internal control over financial reporting pursuant to Section 404 until the later of the year following our first annual report required to be filed with the SEC, or the date we are no longer an “emerging growth company” as defined in the recently enacted JOBS Act, if we take advantage (as we expect to do) of the exemptions contained in the JOBS Act. We will remain an “emerging growth company” for up to five years, although if the market value of our common stock that is held by non-affiliates exceeds \$700 million as of any June 30 before that time, we would cease to be an “emerging growth company” as of the following December 30.

At such time, our independent registered public accounting firm may issue a report that is adverse in the event it is not satisfied with the level at which our controls are documented, designed or operating. Our remediation efforts may not enable us to avoid a material weakness in our internal control over financial reporting in the future. Any of the foregoing occurrences, should they come to pass, could negatively impact the public perception of our company, which could have a negative impact on our stock price.

***We do not currently intend to pay dividends on our common stock in the foreseeable future, and consequently, your ability to achieve a return on your investment will depend on appreciation in the price of our common stock.***

We have never declared or paid cash dividends on our common stock and do not anticipate paying any cash dividends to holders of our common stock in the foreseeable future. Consequently, investors must rely on sales of their common stock after price appreciation, which may never occur, as the only way to realize any future gains on their investments. There is no guarantee that shares of our common stock will appreciate in value or even maintain the price at which our investors have purchased their shares.

***Upon dissolution of our company, you may not recoup all or any portion of your investment.***

In the event of a liquidation, dissolution or winding-up of our company, whether voluntary or involuntary, the proceeds and/or assets of our company remaining after giving effect to such transaction, and the payment of all of our debts and liabilities and distributions required to be made to holders of any outstanding preferred stock will then be distributed to the stockholders of common stock on a pro rata basis. There can be no assurance that we will have available assets to pay to the holders of common stock, or any amounts, upon such a liquidation, dissolution or winding-up of our Company. In this event, you could lose some or all of your investment.

***Our ability to use our net operating loss carryforwards and certain other tax attributes may be limited.***

As a result of the Merger, our ability to utilize our federal net operating loss, carryforwards and federal tax credit may be limited under Sections 382 of the Code. The limitations apply if an “ownership change,” as defined by Section 382, occurs. Generally, an ownership change occurs if the percentage of the value of the stock that is owned by one or more direct or indirect “five percent shareholders” increases by more than 50 percentage points over their lowest ownership percentage at any time during the applicable testing period (typically three years). In addition, future changes in our stock ownership, which may be outside of our control, may trigger an “ownership change” and, consequently, Section 382 limitations. As a result, if we earn net taxable income, our ability to use our pre-change net operating loss carryforwards and other tax attributes to offset United States federal taxable income may be subject to limitations, which could potentially result in increased future tax liability to us.

***Our certificate of incorporation allows for our board to create new series of preferred stock without further approval by our stockholders, which could adversely affect the rights of the holders of our common stock.***

Our board of directors has the authority to fix and determine the relative rights and preferences of preferred stock. We anticipate that our board of directors will have the authority to issue up to 10,000,000 shares of our preferred stock without further stockholder approval. As a result, our board of directors could authorize the issuance of a series of preferred stock that would grant to holders the preferred right to our assets upon liquidation and the right to receive dividend payments before dividends are distributed to the holders of common stock. In addition, our board of directors could authorize the issuance of a series of preferred stock that has greater voting power than our common stock or that is convertible into our common stock, which could decrease the relative voting power of our common stock or result in dilution to our existing stockholders.

## CAUTIONARY NOTE REGARDING FORWARD-LOOKING STATEMENTS

This prospectus contains “forward-looking statements,” which include information relating to future events, future financial performance, financial projections, strategies, expectations, competitive environment and regulation. Words such as “may,” “should,” “could,” “would,” “predicts,” “potential,” “continue,” “expects,” “anticipates,” “future,” “intends,” “plans,” “believes,” “estimates,” and similar expressions, as well as statements in future tense, identify forward-looking statements. Forward-looking statements should not be read as a guarantee of future performance or results and may not be accurate indications of when such performance or results will be achieved. Forward-looking statements are based on information we have when those statements are made or management’s good faith belief as of that time with respect to future events, and are subject to risks and uncertainties that could cause actual performance or results to differ materially from those expressed in or suggested by the forward-looking statements. Important factors that could cause such differences include, but are not limited to:

- our lack of operating history;
- our current and future capital requirements and our ability to satisfy our capital needs;
- our ability to complete required clinical trials of our product and obtain approval from the FDA or other regulatory agents in different jurisdictions;
- our ability to maintain or protect the validity of our patents and other intellectual property;
- our ability to retain key executive members;
- our ability to internally develop new inventions and intellectual property;
- interpretations of current laws and the passages of future laws;
- acceptance of our business model by investors;
- the accuracy of our estimates regarding expenses and capital requirements; and
- our ability to adequately support growth.

The foregoing does not represent an exhaustive list of matters that may be covered by the forward-looking statements contained herein or risk factors that we are faced with that may cause our actual results to differ from those anticipate in our forward-looking statements. Please see “Risk Factors” for additional risks which could adversely impact our business and financial performance.

Moreover, new risks regularly emerge and it is not possible for our management to predict or articulate all risks we face, nor can we assess the impact of all risks on our business or the extent to which any risk, or combination of risks, may cause actual results to differ from those contained in any forward-looking statements. All forward-looking statements included in this prospectus are based on information available to us on the date of this prospectus. Except to the extent required by applicable laws or rules, we undertake no obligation to publicly update or revise any forward-looking statement, whether as a result of new information, future events or otherwise. All subsequent written and oral forward-looking statements attributable to us or persons acting on our behalf are expressly qualified in their entirety by the cautionary statements contained above and throughout this prospectus.

## **USE OF PROCEEDS**

We will not receive any of the proceeds from the sale of the common stock by the selling stockholders named in this prospectus. All proceeds from the sale of the common stock will be paid directly to the selling stockholders.

We would, however, receive proceeds upon the exercise of the warrants held by the selling stockholders which, if such warrants are exercised in full (and assuming no “cashless” exercise features are utilized), would be \$10,640,315. Proceeds, if any, received from the exercise of such warrants will be used for working capital and general corporate purposes. No assurances can be given that any of such warrants will be exercised.

## **DIVIDEND POLICY**

We have never paid any cash dividends on our common stock. We anticipate that we will retain funds and future earnings to support operations and to finance the growth and development of our business. Therefore, we do not expect to pay cash dividends in the foreseeable future following this offering. Any future determination to pay dividends will be at the discretion of our board of directors and will depend on our financial condition, results of operations, capital requirements and other factors that our board of directors deems relevant. In addition, the terms of any future debt or credit financings may preclude us from paying dividends.

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

*Prospective investors should read the following discussion and analysis of our financial condition and results of operations together with our consolidated financial statements and the related notes and other financial information included elsewhere in this prospectus. Some of the information contained in this discussion and analysis or set forth elsewhere in this prospectus, including information with respect to our plans and strategy for our business, includes forward-looking statements that involve risks and uncertainties. See "Cautionary Note Regarding Forward-Looking Statements." You should review the "Risk Factors" section of this prospectus for a discussion of important factors that could cause actual results to differ materially from the results described in or implied by the forward-looking statements contained in the following discussion and analysis.*

### Overview

We are a clinical stage biopharmaceutical company, focused on the development and commercialization of novel therapeutics to treat rare, life-threatening inflammatory-fibrotic diseases with clear unmet medical needs. Our product Resunab™ is a novel oral anti-inflammatory drug that is expected to commence Phase IIa clinical trials for the treatment of cystic fibrosis and scleroderma, pending U.S. Food and Drug Administration (FDA) approval of an Investigational New Drug Application for Resunab, which we expect to file with the scleroderma clinical protocol before the end of 2014. We intend to seek orphan drug status for Resunab for the treatment of cystic fibrosis and diffuse scleroderma, which, if approved by the FDA, will provide us with seven years of market exclusivity in the United States under the Orphan Drug Act.

Inflammation is a natural defense mechanism carried out by our immune system to protect our bodies from infection and injury. However, under certain circumstances inflammation is triggered but is unable to be resolved, resulting in a chronic inflammatory disease. Since each organ in the body is capable of protecting itself from infection and injury by recruiting inflammatory cells to its site, each organ can therefore suffer from excessive inflammation leading to inflammatory diseases that may cause discomfort, pain, loss of organ function, disability or even death. There are hundreds of inflammatory diseases, many of which are chronic, life-long and incurable.

A key aspect of the body's inflammatory response is the recruitment of inflammatory cells to the site of tissue infection/injury whereupon these cells act to destroy the infection and/or repair tissue damage. The signaling pathway that modulates the inflammatory response involves the production of bioactive lipids termed eicosanoids by the enzymes COX and LOX, resulting in pro-inflammatory mediators. These mediators trigger the activation and maintenance of a cellular inflammatory state resulting in the further generation of pro-inflammatory mediators termed cytokines. This fundamental pathway is involved in a wide spectrum of inflammatory diseases.

While the onset of inflammation has been well understood for some time, the mechanisms that resolve inflammation have only recently been discovered. This "resolution pathway" involves shifting the production of pro-inflammatory eicosanoids by the COX and LOX enzymes to the production of anti-inflammatory eicosanoids. These anti-inflammatory eicosanoids act to resolve inflammation and promote tissue healing. The lack of sufficient inflammatory resolution is a key contributor to many chronic inflammatory diseases.

Resunab is a synthetic oral small molecule that selectively binds to CB2 receptors found on immune cells. The CB2 receptor plays a natural role in modulating and resolving inflammation by, in effect, turning inflammation "off." Through activation of CB2, Resunab stimulates the production of anti-inflammatory mediators and causes a concomitant reduction in pro-inflammatory mediators and cytokines. Because it acts through this natural resolving pathway, Resunab offers a new mechanism to potentially treat a wide spectrum of chronic inflammatory diseases in which the resolution of inflammation (the "off" switch) fails to occur.

## Financial Operations Overview

We are a development stage company and have not generated any revenues from the sale of products. We have never been profitable and, from inception through June 30, 2014, our losses from operations have been approximately \$2.5 million. Our net losses for the three and six months ended June 30, 2014 were approximately \$505,000 and \$621,000, respectively. Our net losses for the years ended December 31, 2013 and 2012 were approximately \$602,000 and \$887,000, respectively. We expect to incur significant expenses and increasing operating losses for the foreseeable future. We expect our expenses to increase significantly in connection with our ongoing activities to develop, seek regulatory approval and commercialization of Resunab. Furthermore, we expect to incur additional costs associated with operating as a public company. Accordingly, we will need additional financing to support our continuing operations. We will seek to fund our operations through public or private equity or debt financings or other sources, which may include collaborations with third parties. Adequate additional financing may not be available to us on acceptable terms, or at all. Our failure to raise capital as and when needed would have a negative impact on our financial condition and our ability to pursue our business strategy. We will need to generate significant revenues to achieve profitability, and we may never do so.

We expect to continue to incur significant expenses and increasing operating losses for at least the next several years. We expect our expenses will increase substantially in 2014 and in the future in connection with our ongoing activities, as we:

- conduct clinical trials for Resunab in scleroderma, cystic fibrosis and other indications;
- continue our research and development efforts;
- manufacture clinical study materials and develop commercial scale manufacturing capabilities;
- seek regulatory approval for our product candidates;
- add personnel to support development of our product candidates; and
- operate as a public company.

## Critical Accounting Policies and Estimates

Our consolidated financial statements have been prepared in accordance with accounting principles generally accepted in the United States of America. The preparation of these financial statements requires management 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 and the reported amounts of revenues and expenses during the reporting period.

On an ongoing basis, we evaluate our estimates and judgments for all assets and liabilities, including those related to stock-based compensation expense and the fair value determined for stock purchase warrants classified as derivative liabilities. We base our estimates and judgments on historical experience, current economic and industry conditions and on various other factors that are believed to be reasonable under the circumstances. This forms the basis for making judgments about the carrying values of assets and liabilities that are not readily apparent from other sources. Actual results may differ from these estimates under different assumptions or conditions.

We believe that full consideration has been given to all relevant circumstances that we may be subject to, and the consolidated financial statements accurately reflect our best estimate of the results of operations, financial position and cash flows for the periods presented.

## Revenue

To date, we have not generated any revenues from the sales of products. We do not expect to generate revenue from product sales unless and until we successfully complete development and obtain regulatory approval for the marketing of Resunab, which we expect will take a number of years and is subject to significant uncertainty.



## **Research and Development**

Research and development expenses are incurred for the development of Resunab and consist primarily of payroll, and payments to contract research and development companies. To date, these costs are related to generating pre-clinical data and the costs of acquiring, developing and manufacturing Resunab for clinical trials. These costs are expected to increase significantly in the future as Resunab is evaluated in clinical trials.

## **Derivative Gain (Loss)**

The Company issued warrants in 2013 for the purchase of 301,778 shares of common stock which had provided for anti-dilution protection and cashless exercise and, under certain conditions, granted holders the right to request that the Company repurchase the warrant. Accordingly, these warrants were considered derivative instruments and changes in the fair value of derivative instruments and changes in the fair value of derivative warrant liability were recorded on the income statement as a derivative gain or loss. On June 30, 2014, these warrant agreements were modified to eliminate the anti-dilution protection and accordingly these warrants were no longer considered a derivative liability and the fair value of \$48,380 was reclassified and charged as an addition to Additional-Paid in Capital.

## **Total Other Income (Expense)**

Total other income (expense) consists primarily of interest income we earn on interest-bearing accounts, interest expense incurred on our outstanding debt and changes in the fair value of our derivative liabilities.

## **Accrued Research and Development Expenses**

As part of the process of preparing financial statements, we are required to estimate and accrue expenses, the largest of which are research and development expenses. This process involves: communicating with our applicable personnel to identify services that have been performed on our behalf and estimating the level of service performed and the associated cost incurred for the service when we have not yet been invoiced or otherwise notified of actual cost; estimating and accruing expenses in our financial statements as of each balance sheet date based on facts and circumstances known to us at the time; and periodically confirming the accuracy of our estimates with selected service providers and making adjustments, if necessary.

Examples of estimated research and development expenses that we accrue include:

- fees paid to CROs in connection with nonclinical studies;
- fees paid to contract manufacturer in connection with the production of clinical trial materials
- fees paid to CMOs in connection with the production of clinical study materials; and
- professional service fees for consulting and related services.

We base our expense accruals related to clinical studies on our estimates of the services received and efforts expended pursuant to contracts with multiple research institutions and clinical research organizations that conduct and manage clinical studies on our behalf. The financial terms of these agreements vary from contract to contract and may result in uneven payment flows. Payments under some of these contracts depend on factors, such as the successful enrollment of patients and the completion of clinical study milestones. Our service providers invoice us monthly in arrears for services performed. In accruing service fees, we estimate the time period over which services will be performed and the level of effort to be expended in each period. If we do not identify costs that we have begun to incur or if we underestimate or overestimate the level of services performed or the costs of these services, our actual expenses could differ from our estimates.

To date, we have not experienced significant changes in our estimates of accrued research and development expenses following each applicable reporting period. However, due to the nature of estimates, we cannot assure you that we will not make changes to our estimates in the future as we become aware of additional information regarding the status or conduct of our clinical studies and other research activities.

### General and Administrative Expenses

General and administrative expenses consist primarily of payroll, rent and professional services. Other general and administrative expenses include accounting and legal services and expenses associated with obtaining and maintaining patents. We anticipate that our general and administrative expenses will increase significantly during 2014 and in the future as we increase our headcount to support our continued research and development and the potential commercialization of our product candidates. We also anticipate increased expenses related to audit, legal, regulatory, and tax-related services associated with maintaining compliance with exchange listing and SEC requirements, director and officer insurance premiums, and investor relations costs associated with being a public company. Additionally, commencing in 2014, we will begin to compensate our outside directors.

### Stock-Based Compensation

Stock options are granted with an exercise price at no less than fair market value at the date of the grant. The stock options normally expire ten years from the date of grant. Stock option awards vest upon terms determined by the Company's board of directors.

We recognize compensation costs resulting from the issuance of stock-based awards to employees, non-employees and directors as an expense in the statement of operations over the service period based on a measurement of fair value for each stock-based award. The valuation of our common stock requires us to make highly complex and subjective estimates because our shares are not publicly traded. We will not need these estimates to determine the fair value of new stock-based compensation awards once our underlying shares of common stock begin trading publicly, although no assurances can be made that our shares of common stock will commence trading publicly. The fair value of each option grant was estimated as of the date of grant using the Black-Scholes option-pricing model. The fair value is amortized as compensation cost on a straight-line basis over the requisite service period of the awards, which is generally the vesting period. Due to our limited operating history and due to the fact that we are a private company with no quoted stock price, we estimated our volatility utilizing the volatility of our stock as well as that of comparable public companies. We use historical data, as well as subsequent events occurring prior to the issuance of the consolidated financial statements, to estimate option exercise and employee termination within the valuation model. The expected term of options granted under the Company's stock plans is based on the average of the contractual term (generally 10 years) and the vesting period (generally 48 months). The risk-free rate is based on the yield of a U.S. Treasury security with a term consistent with the expected term of the option. We estimate the forfeiture rate at the time of grant and revise it, if necessary, in subsequent periods if actual forfeitures differ from those estimates. Forfeitures were estimated based on management's expectation through industry knowledge and historical data. We have never paid dividends on our common stock and do not anticipate paying dividends on our common stock in the foreseeable future. Accordingly, we have assumed no dividend yield for purposes of estimating the fair value of our share-based compensation.

The following assumptions were used to estimate the fair value of stock options granted using the Black-Scholes option pricing model:

	As of June 30,	As of December 31,	
	2014	2013	2012
Risk free interest rate	1.94%	1.91%	1.13%
Expected dividend yield	0%	0%	0%
Contractual term	6.25	6.25	6.25
Expected volatility	91.59%	91.95%	94.55%

A summary of stock option grants are as follows:

<b>Date of Grant/ Termination</b>	<b># of Shares</b>	<b>Type of Award</b>	<b>Exercise price per share</b>	<b>Common Stock Fair Value Per Share on Grant Date</b>
1/1/2010	45,267	Option	\$	0.11
7/1/2010	308,567	Option	\$	0.11
1/1/2011	159,942	Option	\$	0.11
1/31/2011	(113,167)	Option	\$	0.11
3/1/2011	30,178	Option	\$	0.11
3/11/2011	18,107	Option	\$	0.11
7/1/2011	3,772	Option	\$	0.11
5/1/2012	226,334	Option	\$	0.17
7/1/2012	22,633	Option	\$	0.17
8/1/2012	3,742	Option	\$	0.17
9/11/2012	4,527	Option	\$	0.17
10/1/2012	(64,707)	Option	\$	0.17
10/1/2012	(152,066)	Option	\$	0.17
11/1/2012	1,886	Option	\$	0.17
1/1/2013	45,267	Option	\$	0.17
2/1/2013	45,267	Option	\$	0.17
6/26/2013	(3,395)	Option	\$	0.17
7/1/2013	15,089	Option	\$	0.17
1/28/2014	308,091	Option	\$	0.17
4/11/2014	691,548	Option	\$	1.00
7/11/2014	330,000	Option	\$	1.00
	<u>1,926,882</u>			

#### **Valuation of Common Stock**

We are privately held with no active public market for our common stock. Our board of directors intends all options granted to be exercisable at a price per share not less than the per share fair value of our common stock underlying those options on the date of grant. The estimated fair value of our common stock was determined at each valuation date in accordance with the guidelines outlined in the *American Institute of Certified Public Accountants Practice Aid, Valuation of Privately-Held-Company Equity Securities Issued as Compensation*. Our board of directors, with the assistance of management and an outside third-party valuation firm, developed these valuations using significant judgment and taking into account numerous factors, including the stage of development of our company and market conditions.

For stock option grants from January 1, 2010 through March 31, 2012, the fair value of our common stock was supported by an independent third-party valuation. In conducting this valuation, we utilized the back-solve method as the option pricing method, or OPM, to estimate the fair value of the Company's common stock. We applied the OPM back-solve method, which considers the rights and preferences of all classes of holders to solve for the equity value and corresponding value of common stock, principally based on the price of the Series A preferred stock convertible into common stock at \$0.60 per share sold in March 2012.

For all options granted from after the completion of the Series A financing in March 2012 until January 2014, the fair value of our common stock was supported by an independent third-party valuation. In conducting this valuation, we utilized the Market Approach to estimate the fair value of the Company's common stock. Under this approach, we considered the market value of comparable early-stage public life science companies and used the ratio of market value to invested capital as a common benchmark for assessing valuation.

For the stock options granted on April 11, 2014 through July 11, 2014, we estimated the fair value of our stock to be \$0.63 per share. This was based on the equity 2014 Private Placement completed in April and May 2014, in which we sold one share of common stock and one warrant for \$1.00. We estimated the fair value of each warrant to be \$0.37 based on the Black Scholes valuation model.

### ***Emerging Growth Company Status***

Under Section 107(b) of the Jumpstart Our Business Startups Act of 2012, emerging growth companies can delay adopting new or revised accounting standards until such time as those standards apply to private companies. We have irrevocably elected not to avail ourselves of this exemption from new or revised accounting standards and, therefore, we will be subject to the same new or revised accounting standards as other public companies that are not emerging growth companies.

## **Results of Operations**

### ***Comparison of Six Months Ended June 30, 2014 and 2013***

**Research and Development.** Research and development expenses for the six months ended June 30, 2014 totaled \$231,000, an increase of \$34,000 over the \$197,000 recorded for the three months ended June 30, 2013. The increase is primarily attributable to an increase of \$30,000 in compensation costs.

**General and Administrative.** General and administrative expense for the six months ended June 30, 2014 totaled \$339,000 an increase of \$300,000 over the \$39,000 recorded for the six months ended June 30, 2013. The increase was primarily attributable to an increase of \$162,000 for compensation costs related to new employees, \$31,000 for legal costs and \$36,000 for consulting costs.

### ***Comparison of Three Months Ended June 30, 2014 and 2013***

**Research and Development.** Research and development expenses for the three months ended June 30, 2014 totaled \$169,000, a decrease of \$9,000 over the \$178,000 recorded for the three months ended June 30, 2013. The decrease is primarily attributable to a reduction in preclinical study costs.

**General and Administrative.** General and administrative expense for the three months ended June 30, 2014 totaled \$294,000 an increase of \$276,000 over the \$18,000 recorded for the three months ended June 30, 2013. The increase was primarily attributable to an increase of \$162,000 for compensation costs related to new employees, \$20,000 for legal costs and \$11,000 for consulting costs.

### ***Comparison of Year Ended December 31, 2013 and 2012***

**Research and Development.** Research and development expenses for the year ended December 31, 2013 totaled \$211,000, a decrease of \$324,000 from the \$535,000 recorded for the year ended December 31, 2012. The decrease is primarily attributable to an increase in income from an SBIR research grant of \$165,000 during the year ended December 31, 2013, which was recorded as a reduction of research and development expense and a reduction of \$112,000 for Resunab pre-clinical costs.

**General and Administrative.** General and administrative expense for the year ended December 31, 2013 totaled \$347,000, an increase of \$58,000 over the \$289,000 recorded for the year ended December 31, 2012. The increase was primarily attributable to an increase of audit and accounting costs of \$54,000.

## **Liquidity and Capital Resources**

Since inception, we have experienced negative cash flows from operations. We have financed our operations primarily through sales of equity-related securities. At June 30 2014, our accumulated deficit since inception was approximately \$2,500,000.

At June 30, 2014, we had total current assets of approximately \$8,527,000 and current liabilities of approximately \$873,000 resulting in working capital of \$7,654,000. At June 30, 2014, we had total assets of approximately \$8,535,000 and total liabilities of approximately \$1,084,000, resulting in a stockholders' equity of \$7,451,000.

Net cash used in operating activities for the six months ended June 30, 2014 was approximately \$462,000, which includes cash used from a net loss of \$621,000, non-cash expenses of \$78,000, \$20,000 of cash used from an increase in prepaid expenses and \$101,000 of cash used from a net decrease in accounts payable and accrued expenses.

Cash used in investing activities for the six months ended June 30, 2014 totaled approximately \$8,000 for the purchase of furniture and equipment.

Cash provided from financing activities for the six months ended June 30, 2014 totaled approximately \$8,671,000 from the issuance of common stock and warrants in the 2014 Private Placement.

At June 30, 2014, we had total debt outstanding of approximately \$639,000, of which \$284,000 was in default with additional maturities due of approximately \$24,000 in 2014, \$327,000 in 2015, and \$4,000 in 2016.

At June 30, 2014, we had a cash balance of \$8,504,000. We expect our current cash on hand to be sufficient to meet our operating and capital requirements until at least December 2015. We will need to raise significant additional capital to fund the clinical trials for Resunab. The source, timing and availability of any future financing will depend principally upon market conditions, and, more specifically, on the progress of our clinical development programs. Funding may not be available when needed, at all, or on terms acceptable to us. Lack of necessary funds may require us, among other things, to delay, scale back or eliminate some or all of our planned clinical trials.

## **Contractual Obligations and Commitments**

On May 30, 2014, we signed a three-year lease with a commencement date of July 1, 2014, at an annual cost of \$54,900. We may enter into contracts in the normal course of business with clinical research organizations for clinical trials and clinical supply manufacturing and with vendors for pre-clinical research studies, research supplies and other services and products for operating purposes. These contracts generally provide for termination on notice, and therefore, we believe that our non-cancelable obligations under these agreements are not material. As of June 30, 2014, we had no material Contractual Obligations or Commitments that will affect our future liquidity.

## **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 SEC rules, such as relationships with unconsolidated entities or financial partnerships, which are often referred to as structured finance or special purpose entities, established for the purpose of facilitating financing transactions that are not required to be reflected on our balance sheets.

## ***Quantitative and Qualitative Disclosures about Market Risk***

Our exposure to market risk is limited to our cash and cash equivalents, all of which have maturities of three months or less. The primary objectives of our investment activities are to preserve principal, provide liquidity and maximize income without significantly increasing risk. Our primary exposure to market risk is interest income sensitivity, which is affected by changes in the general level of U.S. interest rates. However, because of the short-term nature of the instruments in our portfolio, a sudden change in market interest rates would not be expected to have a material impact on our financial condition and/or results of operation. We do not have any foreign currency or other derivative financial instruments.

## BUSINESS

### Overview

We are a clinical stage biopharmaceutical company, focused on the development and commercialization of novel therapeutics to treat rare, life-threatening inflammatory-fibrotic diseases with clear unmet medical needs. Our product Resunab™ is a novel oral anti-inflammatory drug that is expected to commence Phase-IIa clinical trials for the treatment of cystic fibrosis and scleroderma pending U.S. Food and Drug Administration (FDA) approval of the Investigational New Drug Applications for Resunab, which is expected to be filed with the scleroderma clinical protocol before the end of 2014.

Corbus Pharmaceuticals Inc. (formerly known as JB Therapeutics Inc.), was incorporated on April 24, 2009 under the laws of the State of Delaware. On April 11, 2014, JB Therapeutics Inc. completed a merger with Corbus Pharmaceuticals Holdings Inc. and changed its name to Corbus Pharmaceuticals, Inc. Upon the consummation of the merger, Corbus Pharmaceuticals, Inc became a wholly owned subsidiary of Corbus Pharmaceuticals Holdings, Inc. which continues to operate the business of Corbus Pharmaceuticals, Inc. .. Since our inception, we have devoted substantially all of our efforts to business planning, research and development, recruiting management and technical staff, acquiring operating assets and raising capital. Our research and development activities have included completing pre-clinical studies, the development of manufacturing methods and manufacturing of the Resunab drug for clinical trials and the design of clinical protocols for human clinical studies.

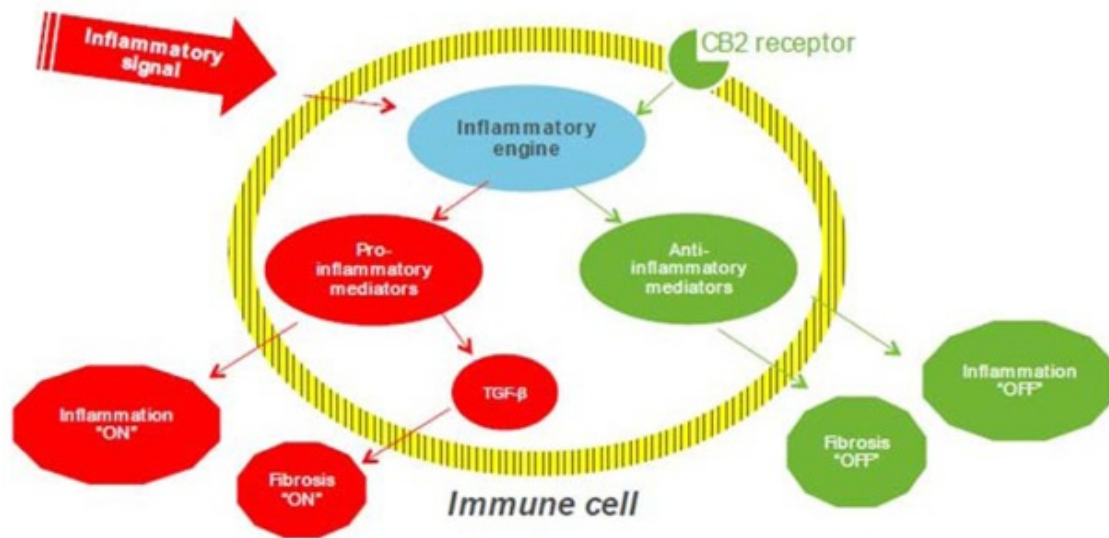
Inflammation is a natural defense mechanism carried out by our immune system to protect our bodies from infection and injury. However, under certain circumstances inflammation is triggered but is unable to be resolved, resulting in a chronic inflammatory disease. Since each organ in the body is capable of protecting itself from infection and injury by recruiting inflammatory cells to its site, each organ can therefore suffer from excessive inflammation leading to inflammatory diseases that may cause discomfort, pain, loss of organ function, disability or even death. There are hundreds of inflammatory diseases, many of which are chronic, life-long and incurable.

A key aspect of the body's inflammatory response is the recruitment of inflammatory cells to the site of tissue infection/injury whereupon these cells act to destroy the infection and/or repair tissue damage. The signaling pathway that modulates the inflammatory response involves the production of bioactive lipids termed eicosanoids by the enzymes COX and LOX, resulting in pro-inflammatory mediators as shown in the Figure 3 below. These mediators trigger the activation and maintenance of a cellular inflammatory state resulting in the further generation of pro-inflammatory mediators termed cytokines. This fundamental pathway is involved in a wide spectrum of inflammatory diseases.

While the onset of inflammation has been well understood for some time, the mechanisms that resolve inflammation have only recently been discovered. This "resolution pathway" involves shifting the production of pro-inflammatory eicosanoids by the COX and LOX enzymes to the production of anti-inflammatory eicosanoids. These anti-inflammatory eicosanoids act to resolve inflammation and promote tissue healing. The lack of sufficient inflammatory resolution is a key contributor to many chronic inflammatory diseases.

Resunab is a synthetic oral small molecule that selectively binds to CB2 receptors found on immune cells. The CB2 receptor plays a natural role in modulating and resolving inflammation by, in effect, turning inflammation "off." Through activation of CB2, Resunab stimulates the production of anti-inflammatory mediators and causes a concomitant reduction in pro-inflammatory mediators and cytokines. Because it acts through this natural resolving pathway, Resunab offers a new mechanism to potentially treat a wide spectrum of chronic inflammatory diseases in which the resolution of inflammation (the "off" switch) fails to occur.

Figure 3: the ON and OFF cellular inflammatory pathways



In many chronic diseases, unresolved inflammation causes progressive damage to tissues and organs resulting in excessive tissue scarring (fibrosis) that leads to organ failure and death. Examples of such chronic diseases include cystic fibrosis, scleroderma, liver cirrhosis and non-alcoholic steatohepatitis, or NASH, chronic kidney disease, muscular dystrophies, rheumatoid arthritis, systemic lupus erythematosus and myositis. Resunab has demonstrated pre-clinical efficacy in a number of inflammatory and fibrotic disease animal models. In inflammatory models it was shown to reduce the migration of inflammatory cells into the site of inflammation, stimulate the production of the resolving (“anti-inflammatory”) eicosanoids, and down-regulate and reduce pro-inflammatory mediators and cytokines. In fibrosis models it was shown to reduce tissue collagen production, tissue fibrosis, stimulate the production of the resolving (“anti-inflammatory”) eicosanoids and reduce the pro-fibrotic cytokine TGF-beta. The net result is that Resunab - through activation of CB2 - triggers a natural inflammatory resolution pathway and is therefore expected to offer a new and promising mechanism for the potential treatment of chronic inflammation and fibrosis.

**Our Pipeline**

The development status of Resunab is summarized below:

Figure 4: Drug developmental pipeline

	Pre-clinical	Phase 1 safety	Phase 2a study	Phase 2b/Phase 3 pivotal study
Cystic Fibrosis	Resunab™			
Diffuse Scleroderma	Resunab™			

## Market Opportunity in Inflammatory Diseases

The term “inflammatory diseases” applies to a family of diseases and conditions comprised of hundreds of distinct diseases. These include autoimmune diseases, allergies, reactions to infections and tissue breakdown, hereditary diseases as well as diseases of unknown etiology. Names of inflammatory diseases typically have the suffix “its” (e.g. bronchitis, appendicitis, dermatitis) but many others do not (e.g. cystic fibrosis, scleroderma, asthma, psoriasis, lupus, etc.).

While some inflammatory diseases are very common (17% of U.S. population suffers from eczema, 10% suffers from asthma, for example), our initial focus is on a large subset of serious chronic inflammatory diseases that are rare and have no effective treatment. These diseases are categorized as “orphan diseases”, meaning they affect no more than 200,000 patients, each, in the U.S. Examples include cystic fibrosis, systemic scleroderma, polymyositis, dermatomyositis, primary biliary cirrhosis, pemphigus and idiopathic pulmonary fibrosis.

## Markets for Resunab

### *Cystic Fibrosis*

According to the Cystic Fibrosis Foundation, 30,000 Americans and 70,000 people worldwide suffer from CF. It is an incurable genetic pulmonary disorder characterized by the accumulation of thick, viscous secretions in the lungs. This, in turn, leads to a chronic underlying inflammation that leads to persistent bacterial infection that then causes excessive inflammation and fibrosis (see figure 3 above). Consequently, the cystic fibrosis airway is exposed to a vicious cycle of obstruction, infection, and inflammation, all intimately linked. Airway inflammation begins early in the disease course, sometimes in infants as young as four weeks old. The inflammatory process persists throughout the patient’s life and, if left unchecked, irreversibly damages the airways, leading to bronchiectasis and progressive decline in lung function. Gradual deterioration in breathing capacity eventually results in death with current life expectancy of approximately 40 years.

Figure 5: factors involved in cystic fibrosis progression



Cystic fibrosis is caused by a mutation in the gene Cystic Fibrosis Transmembrane Conductance Regulator, or CFTR. The defective CFTR gene results in a chloride ion transport, leading to chronic pulmonary inflammation associated with excess mucus secretion very early in the lives of these affected patients. This chronic pulmonary inflammation damages the lung tissue and provides a fertile environment for bacteria to grow, leading to chronic bacterial infections in the lungs. This chronic infection then further exacerbates inflammation and leads to fibrosis (scarring) of the lung tissue that results in a gradual decrease in lung capacity finally resulting in death from pulmonary incapacity.

In January 2012, Vertex (Nasdaq:VRTX) launched Kalydeco™, the first ever CF drug specifically targeting the underlying genetic defect in the CFTR ion channel. Kalydeco™ is a small synthetic oral molecule that helps correct the function of the G551D mutant CFTR protein resulting in improved breathing by approximately 10% in CF patients. However, with at least 1,300 different known mutations in the CFTR gene, Kalydeco™ can only be used by a specific sub-section of the CF population who suffer from a limited number of “gating mutations,” including the G551D mutation. Combined, these currently account for about 4.5% of the total U.S. patient population.



The cost of treating CF is high, with an average cost in the U.S. of \$49,000 per patient per annum based on research published in 2011. Kalydeco™ has an annual cost of approximately \$307,000 per patient but can reach up to \$370,000 for certain patients.

We believe that there is widespread agreement that a safe and effective anti-inflammatory drug that can be used chronically to treat CF patients with minimal side effects would be an invaluable addition to the therapeutic arsenal addressing this disease and should be positively received by the market.

### ***Scleroderma***

Scleroderma is a chronic connective tissue disease characterized by the thickening of the skin and is generally classified as an autoimmune rheumatic disease. According to the Scleroderma Foundation, about 300,000 Americans have scleroderma with one third having the systemic form. The disease affects mainly adults (80% of patients are women) with onset typically in the patient's 30's or 40's.

Systemic scleroderma may affect the tissues in many parts of the body. The tissues of affected organs become hard and fibrous, adversely affecting their function. There are two major recognized sub-categories of systemic scleroderma "diffuse" and "limited" with each representing about 50% of the systemic scleroderma patient population. In limited scleroderma, skin thickening is less widespread, typically confined to the fingers, hands and face, and develops slowly over years. Although internal problems occur, they are less frequent and tend to be less severe than in diffuse scleroderma, and are usually delayed in onset for several years. In diffuse scleroderma, which affects approximately 50,000 Americans, skin thickening occurs more rapidly and involves more skin areas than in limited disease and eventually can involve the skin, esophagus, gastrointestinal tract (stomach and bowels), lungs, kidneys, heart and other internal organs. Diffuse scleroderma patients have a high mortality rate with approximately 50% survival over a 10 year period.

There are currently no cures or effective therapies for diffuse scleroderma. While not fully understood, it is believed that inflammation leading to fibrosis is the driving force behind the disease's progress, symptoms and eventual mortality. In particular, the pro-fibrotic cytokine TGF beta has been identified as a key player in the progression of the disease and, we believe, is an important target for diffuse scleroderma therapy.

### **Current Treatment Alternatives for Inflammatory Diseases**

#### ***Overview***

Drugs used to treat inflammatory diseases are broadly divided into two classes: steroids and non-steroidal anti-inflammatory drugs. Non-steroidal drugs, in turn, can be categorized into synthetic drugs, which include Resunab, and biological drugs, which include monoclonal antibody and protein therapies. Synthetic drugs are typically administered orally while biologic drugs generally need to be administered by injection. According to GBI Research, the global market for drugs to treat inflammation in 2010 was approximately \$58 billion and is expected to grow to approximately \$86 billion by 2017.

Corticosteroids are the most commonly prescribed medications for treating inflammatory diseases because of their high potency, unparalleled formulation flexibility, and low cost. However, chronic corticosteroid use is limited by adverse side effects that include hypertension, high glucose levels, obesity, brittle bones/osteoporosis, immunosuppression, glaucoma and psychosis. Thus, safer yet potent alternatives to steroids have long been sought to fill this unmet medical need. We believe the global market for corticosteroids was approximately \$88 billion in 2013.

Non-steroid anti-inflammatory synthetic drugs (NSAIDs) include the older generation of non-specific COX inhibitors, such as ibuprofen, naproxen, and Aspirin<sup>TM</sup> (possibly the most commonly used drug in the world), and a newer generation of specific inhibitors of COX-2, such as Celebrex and Vioxx. COX inhibitors are drugs that inhibit the action of the COX enzymes, which are responsible for producing factors that promote inflammation (known as pro-inflammatory eicosanoids). The older generation of COX inhibitors inhibits both COX-1 and COX-2 and is associated with severe gastrointestinal adverse effects. The newer generation of NSAID drugs which are specific for COX-2, originally designed to be safer in terms of gastrointestinal side effects, have subsequently been found to have cardiovascular side effects. These side effects have led to the withdrawal of the drug Vioxx from the market and specific black-box warnings for the related drug Celebrex. The market for oral NSAIDs was approximately \$5.4 billion in 2013.

Non-steroid biological drugs are used to treat severe cases of inflammation in autoimmune diseases. These drugs are large molecule proteins produced from live cells and not by way of artificial chemical synthesis. Examples of this type of drug are Enbrel and Remicade, both of which are used for treating severe rheumatoid arthritis and psoriasis as well as inflammatory bowel disease. These drugs have a number of disadvantages including that the drugs must be administered by injection/IV, their costs are high and they are associated with increased incidence of malignancy and infection. This is the largest market of anti-inflammatory drugs with anti-TNF therapies for rheumatoid arthritis alone projected to reach \$23 billion by 2015, according to Global Industry Analysts.

### *Cystic Fibrosis*

The importance of inflammation (both underlying and infection-driven) in CF treatment is universally accepted, but we believe current anti-inflammatory treatments present a paradox: while treatment with systemic steroid and ibuprofen (a COX 1 & 2 inhibitor) are clearly effective in improving the symptoms of the CF, the side effects associated with chronic treatment using these drugs are significant and as a result these drugs have limited long-term utility. Specifically, long term usage of oral corticosteroids in children gives rise to such side effects as glucose intolerance, cataract formation, multiple bone fractures secondary to osteoporosis or osteopenia, Cushing Syndrome effects, and anorexia nervosa as well as growth retardation. The side effects of high doses of ibuprofen taken for an extended duration are mainly gastrointestinal side effects. Other therapies routinely used by CF patients include antibiotics, such as Cayston from Gilead, and TOBI from Novartis, and mucolytics, such as Pulmozyme from Genentech. In addition, Vertex currently markets the only approved drug, Kalydeco<sup>TM</sup>, specifically targeting the defective protein product of the CFTR gene mutation in CF. However, it can only be effective for 4.5% of the patient population that have a specific CFTR gene mutation. According to Global Industry Analysts, the market for CF medicines is projected to be \$896 million by 2015 not including Kalydeco<sup>TM</sup>.

### *Diffuse Scleroderma*

Current medications for scleroderma focus on treating the four main features of the disease: inflammation, autoimmunity, vascular disease, and tissue fibrosis. For inflammation, the most commonly prescribed medicines for scleroderma are NSAIDs and corticosteroids. As described above these medicines have significant adverse effects when given chronically, but more important they have not proven to be effective in treating scleroderma. For autoimmunity, the most commonly prescribed medicines for scleroderma are immunosuppressants. These include methotrexate, cyclosporine, anti-thymocyte globulin, mycophenolate mofetil, azathioprine, and cyclophosphamide. While these have been shown to have some benefit, they are effective only in a limited number of cases and have significant side effects including increased infection and malignancy. For vascular disease, the most commonly prescribed medicines for scleroderma are medicines which improve blood flow to target organs affected by the disease and reduce blood pressure. These include calcium channel blockers, angiotensin converting enzyme (ACE) inhibitors, endothelin-1 receptor inhibitors and prostacyclins. While these drugs are effective for the treatment of some of the vascular complications of scleroderma they have no benefit for the inflammatory or fibrotic manifestations. The last class of drugs for the treatment of scleroderma is the anti-fibrotics. The most commonly prescribed anti-fibrotic medicines for scleroderma are colchicine, para-aminobenzoic acid (PABA), dimethyl sulfoxide, and D-penicillamine. These drugs are typically of limited benefit and are used fairly infrequently. Recently the drug pirfenidone was approved in Europe for the treatment of Idiopathic Pulmonary Fibrosis (a disease that also causes fibrosis of the lungs). However, it has not yet been approved in the U.S., and its effectiveness in treating scleroderma has not been established.

## Resunab's Mechanism of Action is Distinct from NSAIDs and Steroids

Corticosteroids and NSAIDs exert their effect by inhibiting inflammation. In simple terms, both classes of drugs inhibit inflammation by “interfering” with the biochemical pathways in the cell that promote and sustain inflammation. For example, NSAID directly inhibit the activity of the COX 1 and COX 2 enzymes that are responsible for generating pro-inflammatory eicosanoids. A drawback of this approach is that it only inhibits one arm of the eicosanoid pathway (e.g. COX but not LOX) resulting in an increase in LOX-derived inflammatory mediators which leads to gastrointestinal and cardiovascular side effects (termed “molecular shunting”).

Resunab, on the other hand, activates the natural pathways that resolve inflammation, the so called resolving pathway or “off-switch.” By doing so, we believe that Resunab is less likely to cause the side effects that result from the accumulation of certain pro-inflammatory eicosanoids. We also believe Resunab's unique mechanism of action is expected to provide a safer and potentially more effective treatment for chronic inflammation than the current alternatives- steroids and NSAIDs. Resunab may have the potential to safely treat a wide spectrum of chronic inflammatory diseases in which the resolution of inflammation, or the “off” switch, fails to occur.

## Safety & Toxicology

To-date, Resunab has undergone an extensive battery of animal safety and toxicology studies in support of Phase II clinical development. Unlike other CB2 agonists, Resunab exhibits limited blood brain barrier penetration and negligible CB1 activity *in vivo* resulting in limited central nervous system side effects. Results of the safety pharmacology studies in animals assessing the central nervous system, cardiovascular and respiratory systems, renal system and gastrointestinal system were all negative and support that there should be a significant safety margin at anticipated therapeutics doses of Resunab in patients.

Animal toxicological profiles of orally administered Resunab in single and multi-dose studies in mice, rats, and dogs, and a battery of *in vitro* and *in vivo* genetic toxicity studies, have been conducted. The results of these studies showed no major toxicological concerns and an excellent safety margin based on drug exposure levels in animals compared to human exposure. In support of Phase II clinical trials, thirteen-week GLP toxicology studies have been completed in rats and dogs. Based on the results of these studies and prior clinical trials, the safety margin in humans is estimated to be between 8 and 32 times greater than the doses planned for our next clinical trials.

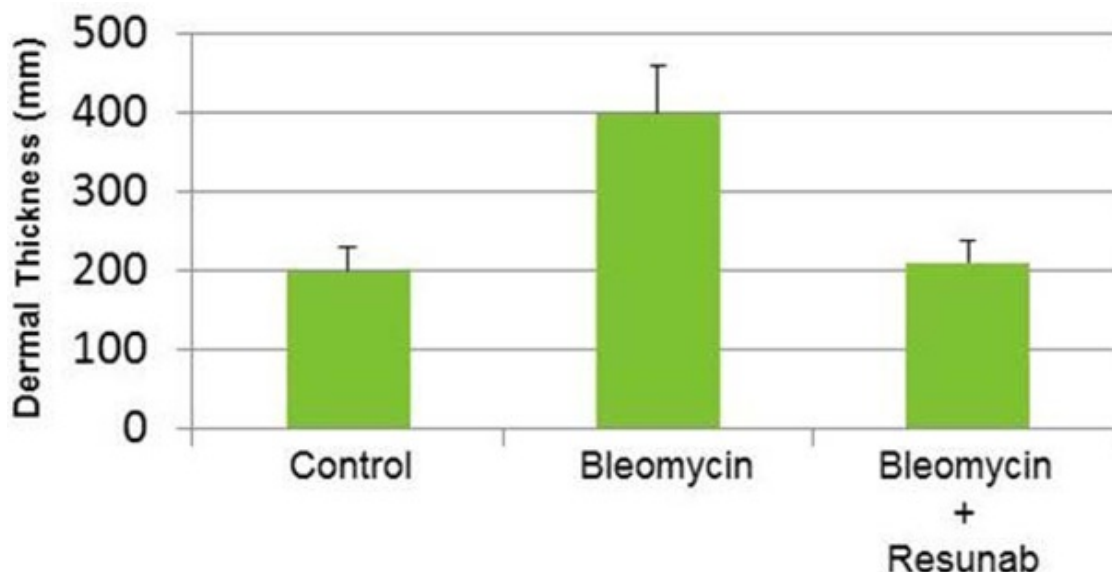
## Pre-clinical Results

In pre-clinical studies, Resunab has demonstrated clear efficacy at resolving inflammation in a number of animal pharmacology models in which inflammation was induced by a variety of means: arachidonic acid, Zymosin, PAF, IL-1-beta, TNF-alpha and Freund's adjuvant. Similarly, fibrosis was induced in skin tissue by bleomycin and TGF beta receptor activation and in lung tissue by bleomycin. Of particular note, Resunab suppressed tissue destruction in several of these disease models. At the cellular level, in various models Resunab acted to reduce the migration of inflammatory cells into the site of inflammation, stimulate the production of the resolving mediators LXA4 and PGJ2, and down regulate and reduce the pro-inflammatory cytokines (IL-1 $\beta$  and IL-6) and the pro-fibrotic cytokine TGF-beta.

### *Effect of Resunab in Fibrotic Disease Animal Models*

The efficacy of Resunab was investigated in three mouse models of scleroderma. Oral administration of Resunab once-a-day at 1 mg/kg/day inhibited dermal fibrosis in the three models as measured by reductions in dermal thickness, markers of collagen production, and myofibroblast abundance (cells that produce collagen). Histopathologic evaluation revealed that Resunab inhibited the fibrosis of the skin tissue in each of these models. In addition, oral administration of Resunab was effective at inhibiting lung fibrosis in a bleomycin-induced mouse scleroderma model. Collectively, we believe this data supports the development of Resunab as a potent and novel anti-fibrotic/anti-inflammatory drug with the potential to treat some of the key manifestations of human scleroderma.

Figure 6: Resunab inhibition of skin thickening in Mouse Scleroderma Model



To translate these *in vivo* effects of Resunab on fibrosis in animal models to humans, we determined the anti-fibrotic effects of Resunab on dermal fibroblasts isolated from diffuse cutaneous scleroderma patients. Dermal fibroblasts from scleroderma patients overproduce extracellular matrix proteins like collagen and the pro-fibrotic cytokine TGF- $\beta$ . Further supporting its anti-fibrotic activity, Resunab inhibited new collagen synthesis, reduced TGF- $\beta$  and increased anti-inflammatory (resolving) eicosanoid levels in this *ex-vivo* model of human scleroderma. These responses were statistically significant with a  $p < 0.001$  as determined using the Student-Newman Keuls post-hoc test for multiple comparisons. TGF- $\beta$  has been identified in published scientific literature to be an important cytokine in promoting inflammation and fibrosis in multiple diseases and conditions including scleroderma and cystic fibrosis. While no pre-clinical model is 100% predictive of clinical efficacy, the results from our pre-clinical data provides a rationale for further clinical development.

#### ***Human Clinical Results to Date***

Two Phase I and one Phase IIa clinical trials have been conducted by prior licensees Atlantic Pharmaceuticals and Indevus Pharmaceuticals, Inc. who were developing Resunab as an analgesia therapy (pain relief) rather than an anti-inflammatory therapy. Based on their review of the preclinical and clinical data in pain relief, Indevus Pharmaceuticals elected not to continue with further clinical trials and its license rights were terminated in December 2008. Upon termination, the rights reverted back to Dr. Sumner Burstein who then assigned the rights to us in April 2009.

The first Phase I study evaluated the safety, tolerability and pharmacokinetics of a single oral dose of Resunab in healthy adult male subjects over a dose range from 1 mg to 10 mg, in 4 dose groups of 8 subjects each. Resunab had satisfactory oral bioavailability, was well tolerated, and exhibited linear pharmacokinetics over the dose range tested. There were no life-threatening or serious adverse events in this study. Two subjects in the 3 mg group and one subject in the 6 mg group out of a total of twenty-four subjects reported adverse events of mild to moderate intensity. None of the remaining subjects in the 3 mg and 6 mg groups and no subjects in the 1 mg, 10 mg and placebo groups experienced any adverse events. The two subjects in the 3 mg group reported blurred vision, difficulty in remembering, mild euphoria, impression of slower movements, dry mouth and difficulty in concentrating. The one subject in the 6 mg group reported orthostatic vagal fainting, feeling dizzy, and nausea immediately after the first blood draw, which occurred prior to the administration of the drug.

The second Phase I study evaluated the safety, tolerability and pharmacokinetics of single and multiple ascending doses of Resunab at higher doses. Each dose level had 8 subjects randomized at a ratio of 6 receiving Resunab and 2 receiving placebo. Doses ranged from 10 to 240 mg single dose, and 20, 40 and 80 mg three times a day (“tid”) for 7 days multi-dose. Resunab showed good tolerability at single doses up to 120 mg and multiple doses up to 40 mg three times a day for 7 days. For the single dose treatment stage, the most frequently occurring treatment-emergent adverse events (TEAEs) occurring in > 10% of all subjects treated with Resunab, in decreasing order of frequency, were: dizziness (15 out of 48), nausea (10 out of 48), vomiting (7 out of 48), pallor (6 out of 48), dry mouth (5 out of 48), headache (5 out of 48), somnolence (5 out of 48), tremor (5 out of 48), and disorientation (5 out of 48). All TEAEs were mild to moderate with the majority of these events occurred in subjects treated at dose levels of 120 mg and above. For the multiple dose stage, there were no TEAEs at 20 mg tid while in the 40 and 80 mg tid dose groups the most frequently occurring TEAEs, occurring in > 10% of all subjects treated with Resunab, were at the 40 and 80 mg tid dose respectively: dizziness (4 out of 6 and 3 out of 6), nausea (2 out of 6 and 1 out of 6), somnolence (2 out of 6 and 1 out of 6), dry mouth (1 out of 6 and 1 out of 6), fatigue (0 out of 6 and 2 out of 6), feeling abnormal (0 out of 6 and 2 out of 6), anorexia (0 out of 6 and 2 out of 6), inappropriate affect (0 out of 6 and 2 out of 6), and orthostatic hypotension (0 out of 6 and 2 out of 6). The majority of these events were mild and occurred in subjects treated at the highest dose level of approximately 80 mg three times a day, for 7 days (i.e., subjects treated with 80 mg tid were reduced to 60 mg tid starting with the second dose on Day 2 continuing through Day 7). In some elderly patients over 65 years of age, changes in electrocardiogram readings were noted; however no differences in readings were observed between subjects treated with Resunab versus and placebo thus this was not deemed to be of clinical relevance. Resunab exhibited linear pharmacokinetics over the dose range tested.



A Phase IIa crossover design study was conducted for Resunab in refractory neuropathic pain patients (NP). In this study, 21 NP patients were treated with either Resunab or placebo at a dose of 20 and 40 mg twice a day (8 hours apart) for 1 week followed by a 1 week washout and a cross over. Resunab reduced the 3 hour pain index by up to 28% ( $p < 0.03$ ) in one cohort, and was effective at reducing pain by  $>30\%$  in 50% of this same cohort ( $P < 0.03$ ) of refractory pain patients although its analgesic effect wore off between 3-8 hours post-dose. Resunab was well tolerated and there were no safety issues of note in this study.

While Resunab showed a clear analgesic signal in this phase IIa study in refractory neuropathic pain patients, we are not relying on these efficacy results to support our clinical program as this study was designed to measure pain while our future studies will have a completely different efficacy endpoint.

## **Clinical Development Plan**

### ***Overview***

Our clinical development plan for Resunab is to conduct two independent multicenter Phase IIa randomized, double-blind, placebo-controlled, three-arm clinical trials of three month treatment duration to evaluate the safety, efficacy and pharmacokinetics of Resunab in patients with cystic fibrosis and diffuse scleroderma. We believe that upon obtaining adequate safety and proof of concept efficacy data, the next step following our planned Phase IIa studies, would be to conduct a pivotal multi-center Phase II/III clinical trial in each indication with the objective of establishing the dose-effect relationship and optimal dose of Resunab. These studies will be designed with input from regulatory authorities with the aim of gaining expedited development and review by the United States Food and Drug Administration, or FDA, through the following FDA programs: Fast Track designation; Accelerated Approval, and Priority Review designation. These FDA expedited programs for serious conditions are designed to facilitate the development and expedite the review of new drugs that are intended to treat serious or life-threatening conditions and that demonstrate the potential to address unmet medical needs. We must request Fast Track designation from the FDA. The request can be initiated at any time during the drug development process. FDA will review the request and make a decision within 60 days based on whether the drug fulfills an unmet medical need in a serious condition. A drug that receives Fast Track designation is eligible for some or all of the following: (i) more frequent meetings with FDA to discuss the drug's development plan and ensure collection of appropriate data needed to support drug approval; (ii) more frequent written correspondence from FDA about things such as the design of the proposed clinical trial and the use of biomarkers; and (iii) eligibility for Accelerated Approval and Priority Review, if relevant criteria are met. Under its accelerated approval authority, FDA may approve a product for a serious or life threatening disease or condition, including a fast track product, if it is found to have an effect on a surrogate endpoint that is reasonably likely to predict a clinical benefit. FDA may also approve a product under accelerated approval authority if it is found to have an effect on a clinical endpoint that can be measured earlier than an effect on irreversible morbidity or mortality (also referred to as an intermediate endpoint). The evidence to support accelerated approval may be epidemiological, pathophysiological, therapeutic, and pharmacologic or based on the use of biomarkers. Accelerated Approval can be withdrawn or the labeled indication of the drug changed if trials fail to verify clinical benefit or do not demonstrate sufficient clinical benefit to justify the risk associated with the drug. Every drug application submitted to the FDA is subject to consideration for Priority Review designation, even if the applicant does not request it. FDA informs the applicant of a Priority Review Designation within 60 days of the receipt of the original New Drug Application, or NDA. Designation of a drug as "Priority" does not alter the scientific/medical standard for approval or the quality of evidence necessary for approval. Priority review shortens the time period for review of an NDA (6 months compared with the 10 month standard review). There is no guarantee that we will receive Fast Track designation, Accelerated Approval designation, or Priority Review designation for any of our product candidates.

### ***Scleroderma***

Before the end of 2014, we plan to submit the IND to the FDA for Resunab with the clinical protocol for a Phase IIa double-blind placebo controlled clinical study evaluating Resunab in patients with diffuse scleroderma at three dosing levels, 5 mg and 20 mg once-a-day and 20 mg twice a day, versus placebo. The trial design will have a two-week screening period, 12-week treatment period and a four-week safety follow-up. The study planned is a U.S. multi-center trial. The lead Principal Investigator will be Dr. Robert Spiera of the Hospital of Special Surgery, New York City, New York. Patients will be screened and those meeting trial criteria will be randomized to one of four arms. Patients will be monitored for safety and tolerability throughout the study. The primary goal of this trial is to establish safety of Resunab in diffuse scleroderma patients and efficacy based on a change in the biomarker skin score (BSS) of patient skin biopsies. Secondary endpoint measurements will include the modified Rodnan skin score, patient assessment scores, drug action biomarkers and disease biomarkers.

### ***Cystic Fibrosis***

During the first quarter of 2015, we plan to submit an additional clinical protocol under the Resunab IND for a Phase IIa double-blind placebo controlled study evaluating Resunab in CF at three dosing levels, 5 and 20 mg once a day and 20 mg twice a day, versus placebo. Patients in the study will be 18-30 years of age with mild to moderate cystic fibrosis as assessed by lung function tests. The trial design will have a two-week screening period, followed by a 12-week active treatment period, and then a four-week safety follow-up. The study planned is a multi-center U.S. trial. The lead Principal Investigator will be Dr. James Chmiel of the Rainbow Babies & Children's Hospital, Cleveland, OH. Patients will be screened and those meeting the trial criteria will be randomized into one of four arms. Patients will be monitored for safety and tolerability throughout the study. The primary goal of this trial is to establish safety of Resunab in CF patients and an efficacy assessment based on pulmonary function and the reduction of inflammatory markers. Secondary efficacy assessments will include the CF biomarker score, patient scores and drug action biomarkers.

## **Competition**

There are numerous drug therapies currently used to treat CF patients, but, to our knowledge, none have been developed specifically to address the inflammatory aspect of the disease. Antibiotics address the pulmonary bacterial infection and mucolytics address the accumulation of mucus in the lungs. The average CF patient uses all of these therapies since they each address a different aspect of the disease. Anti-inflammatories, oral corticosteroids and very high doses of ibuprofen, are used intermittently with some clinical benefit, but, due to their adverse side effects are not used chronically.

Vertex currently markets the only approved drug, Kalydeco, specifically targeting the defective protein product of the CFTR gene mutation in CF. However, it is only effective for approximately 4.5% of the total U.S. patient population that have a specific CFTR gene mutation. Kalydeco was approved by the FDA January 2012 and has an average annual cost of \$307,000 per year per patient. N30 is a private company developing a nitric oxide modulator that is in a Phase II study for broncheodilatory and anti-inflammatory activity.

Unlike cystic fibrosis, there are no approved drugs for the specific treatment of scleroderma. Nonetheless, physicians do treat scleroderma patients with a number of drugs including immunosuppressants and cytotoxics to try to reduce the autoimmune response of the disease. However, these drugs have not proven to be very effective in treating scleroderma and there remains a high unmet need for new effective drugs to treat the progressive fibrosis in scleroderma. Because of this several companies, including Bristol Myers Squibb, Promedior, Sanofi, Digna, Fibrogen and Biogen, are actively working to developing new drugs for scleroderma which target inflammation and/or fibrosis. To the best of our knowledge, Resunab offers a unique mode of action to treat scleroderma being one of the few oral drugs having both anti-inflammatory and anti-fibrotic properties.

## **Research and Development**

We incurred approximately \$169,000 and \$231,000 for research and development activities for the three and six months ended June 30, 2014, respectively, and for the years ended December 31, 2013 and 2012, we incurred \$211,000 and \$535,000, respectively. These expenses include cash and non-cash expenses relating to the development of our clinical and pre-clinical programs for Resunab. Prior to the Corbus' formation, Resunab was licensed to several other companies which conducted extensive pre-clinical and clinical development work on the drug, including development of a manufacturing process, pre-clinical safety, toxicology and pharmacology studies, two Phase I clinical trials and a Phase II clinical trial in neuropathic pain.

## Intellectual Property

Our intellectual property and product pipeline is based on seminal research done by Professor Sumner Burstein, Ph.D. at the University of Massachusetts Medical Center. Upon Corbus' formation, Dr. Burstein assigned to Corbus his rights and intellectual property ownership to Resunab on a royalty-free basis in consideration for 200,000 shares of Series A Non-Convertible preferred stock. The intellectual property includes scientific data and regulatory data, product know-how and one patent issued in January 2014 and expiring in November 2029 for the use of Resunab to treat interstitial cystitis, an indication for which we are currently pursuing partnership opportunities.

Since acquiring the asset, Corbus has filed three new patent applications for Resunab, which if granted, would extend intellectual property protection through at least 2033. The three new patent filings cover:

- A composition of matter claim based on an improved ultrapure version of Resunab;
- Resunab's use in treating a number of fibrotic diseases including cystic fibrosis, scleroderma and liver fibrosis; and
- Specific Resunab's dosing regimens and formulations.

We also plan to request the FDA and other worldwide regulatory agencies to grant orphan drug status for Resunab for the treatment of scleroderma, cystic fibrosis and possibly other orphan inflammatory diseases. While there can be no assurance that such status will be granted, prior FDA actions indicate that this is likely. Orphan drug status provides seven years of market exclusivity in the U.S. and ten years in Europe beginning on the date of drug approval.

Our commercial success depends in part on our ability to obtain and maintain patent and other proprietary protection for Resunab and to operate without infringing the proprietary right of others and to prevent others from infringing our proprietary rights. We strive to protect our intellectual property through a combination of patents, and trademarks as well as through the confidentiality provisions in our contracts. With respect to Resunab, we endeavor to obtain and maintain patent protection in the United States and internationally on all patentable aspects of the drug. We cannot be sure that the patents will be granted with respect to any patent applications we may own or license in the future, nor can we be sure that our existing patents or any patents we may own or license in the future will be useful in protecting our technology. For this and more comprehensive risks related to our intellectual property, please see "Risk Factors—Risks Relating to Our Intellectual Property."

In addition to patents, we rely on trade secrets and know-how to develop and maintain our competitive position. For example, significant aspects of our proprietary technology platform are based on unpatented trade secrets and know-how. Trade secrets and know-how can be difficult to protect. We seek to protect our proprietary technology and processes, in part, by confidentiality agreements and invention assignment agreements with our employees, consultants, scientific advisors, contractors and commercial partners. These agreements are designed to protect our proprietary information and, in the case of the invention assignment agreements, to grant us ownership of technologies that are developed through a relationship with a third party. 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. To the extent that our contractors 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.

We also plan to seek trademark protection in the United States and outside of the United States where available and when appropriate. We intend to use these registered marks in connection with our pharmaceutical research and development as well as our product candidates.



## **Manufacturing and Supply for Resunab**

We have developed and validated a good manufacturing practice, or GMP, process to manufacture Resunab through our contract manufacturer. This contract manufacturer has already produced multi-Kg scale bulk batches of the active pharmaceutical ingredient under GMP for our Phase II clinical studies and is capable of producing sufficient active ingredient for all the clinical studies required prior to submitting an IND to the FDA. We do not own or operate manufacturing facilities for the production of Resunab. We expect to depend on third-party suppliers and manufacturing organizations for all of our clinical trial quantities of raw materials and drug substance. Resunab is a synthetic molecule and there are readily available supplies of all raw materials needed for the manufacture of Resunab.

## **Regulatory Matters**

### ***Government Regulation***

Any product development activities related to Resunab or products that we may develop or acquire in the future will be subject to extensive regulation by various government authorities, including the FDA and other federal, state and local statutes and regulations and comparable regulatory authorities in other countries, which regulate the design, research, clinical and non-clinical development, testing, manufacturing, storage, distribution, import, export, labeling, advertising and marketing of pharmaceutical products and devices. Generally, before a new drug can be sold, considerable data demonstrating its quality, safety and efficacy must be obtained, organized into a format specific to each regulatory authority, submitted for review and approved by the regulatory authority. The data is often generated in two distinct development states: pre-clinical and clinical. Resunab or other products that we may develop or acquire in the future must be approved by the FDA through the IND process before they may be legally marketed in the United States. For new chemical entities, the pre-clinical development stage generally involves synthesizing the active component, developing the formulation and determining the manufacturing process, as well as carrying out non-human toxicology, pharmacology and drug metabolism studies which support subsequent clinical testing.

The clinical stage of development can generally be divided into three sequential phases that may overlap, Phase I, Phase II and Phase III clinical trials. In Phase I, generally, small numbers of healthy volunteers are initially exposed to single escalating doses and then multiple escalating doses of the product candidate. The primary purpose of these studies is to assess the metabolism, pharmacologic action, side effect tolerability and safety of the drug. Phase II trials typically involve studies in disease-affected patients to determine the dose required to produce the desired benefits, while Phase IIb trials are designed to determine efficacy. At the same time, safety and further pharmacokinetic and pharmacodynamic information is collected. In some instances, formal Phase I and Phase II trials may not be deemed necessary or required by the FDA. Such is often the case when the safety and efficacy of an active ingredient is considered to be well understood by the FDA. Under established regulatory frameworks, pharmaceutical products with active ingredients equal or similar to those known by the FDA often enter more streamlined development programs than compounds entirely new to the agency.

Post-approval studies, sometimes referred to as Phase IV clinical trials, may be conducted after initial marketing approval. Sometimes, these studies are used to gain additional experience from the treatment of patients in the intended therapeutic condition, then often referred to as Phase IV clinical trials. In certain instances, the FDA may mandate the performance of Phase IV studies. In other situations, post-approval studies aim to gain additional indications for a medication, then often indicated as Phase IIIb studies.

### ***Development of Drugs in the United States***

In the United States, the process of obtaining regulatory approvals and the subsequent compliance with appropriate federal, state, local and foreign statutes and regulations require the expenditure of substantial time and financial resources. Failure to comply with the applicable United States requirements at any time during the product development process, approval process or after approval, may subject an applicant to administrative or judicial sanctions. These sanctions could include the FDA's refusal to approve pending applications, withdrawal of an approval, a clinical hold, warning letters, product recalls or withdrawals from the market, product seizures, total or partial suspension of production or distribution, injunctions, fines, refusals of government contracts, restitution, disgorgement, or civil or criminal penalties. Any agency or judicial enforcement action could have a material adverse effect on us.

Prior to the start of human clinical studies for a new drug in the United States, pre-clinical laboratory and animal tests are often performed under the FDA's Good Laboratory Practices regulations. The sponsor must submit the result of the pre-clinical tests, together with manufacturing information, analytical data and any available clinical data or literature and a proposed clinical protocol to the FDA as part of an IND application, which is a request for authorization from the FDA to administer an investigational drug or biological product to humans. Similar filings are required in other countries. The amount of data that must be supplied in the IND depends on the phase of the study. Phase I studies typically require less data than larger Phase II and III studies. A clinical plan must be submitted to the FDA prior to commencement of a clinical trial. If the FDA has concerns about the clinical plan or the safety of the proposed studies, they may suspend or terminate the study at any time. Studies must be conducted in accordance with good clinical practice and regulator reporting of study progress and any adverse experiences is required. Studies are also subject to review by independent institutional review boards responsible for overseeing studies at particular sites and protecting human research study subjects. An independent institutional review board may also suspend or terminate a study once initiated. Accordingly, we cannot be sure that submission of an IND will result in the FDA allowing clinical trials to begin, or that once begun, issues will not arise that could cause the trial to be suspended or terminated.

### ***Review and Approval in the United States***

Following pivotal or Phase III trial completion, data is analyzed to determine safety and efficacy. Data is then filed with the FDA in a New Drug Application, or an NDA, along with proposed labeling for the product and information about the manufacturing and testing processes and facilities that will be used to ensure product quality. In the United States, FDA approval of an NDA must be obtained before marketing a pharmaceutical product. The NDA must contain proof of safety, purity, potency and efficacy, which entails extensive pre-clinical and clinical testing.

The FDA will likely re-analyze the clinical trial data, which could result in extensive discussions between the FDA and us during the review process. The review and evaluation of applications by the FDA is extensive and time consuming and may take several years to complete. The FDA may conduct a pre-approval inspection of the manufacturing facilities for the new product to determine whether they comply with current good manufacturing practice requirements and may also audit data from clinical and pre-clinical trials.

There is no assurance that the FDA will act favorably or quickly in making such reviews and significant difficulties or costs may be encountered in our efforts to obtain FDA approvals. The FDA may require that certain contraindications, warnings or precautions be included in the product labeling, or may condition the approval of the NDA on other changes to the proposed labeling, development of adequate controls and specifications, or a commitment to conduct post-marketing testing or clinical trials and surveillance programs to monitor the safety of approved products that have been commercialized. Further, the FDA may place conditions on approvals including the requirement for a risk evaluation and mitigation strategy ("REMS") to assure the safe use of the drug. If the FDA concludes a REMS is needed, the sponsor of the NDA must submit a proposed REMS; the FDA will not approve the NDA without an approved REMS, if required. A REMS could include medication guides, physician communication plans, or elements to assure safe use, such as restricted distribution methods, patient registries and other risk minimization tools. Any of these limitations on approval or marketing could restrict the commercial promotion, distribution, prescription or dispensing of products. Product approvals may be withdrawn for non-compliance with regulatory standards or if problems occur, following the initial marketing of the product.

## ***Orphan Drug Designation***

Under the Orphan Drug Act, the FDA may grant orphan drug designation to a drug intended to treat a rare disease or condition, which is generally a disease or condition that affects fewer than 200,000 individuals in the United States and for which there is no reasonable expectation that the cost of developing and making a drug available in the United States for this type of disease or condition will be recovered from sales of the product. Orphan product designation must be requested before submitting an NDA. After the FDA grants orphan drug designation, the identity of the therapeutic agent and its potential orphan use are disclosed publicly by the FDA. Orphan product designation does not convey any advantage in or shorten the duration of regulatory review and approval process. In addition to the potential period of exclusivity, orphan designation makes a company eligible for grant funding of up to \$400,000 per year for four years to defray costs of clinical trial expenses, tax credits for clinical research expenses and potential exemption from the FDA application user fee.

If a product that has orphan designation subsequently receives the first FDA approval for the disease or condition for which it has such designation, the product is entitled to orphan drug exclusivity, which means the FDA may not approve any other applications to market the same drug for the same indication for seven years, except in limited circumstances, such as (i) the drug's orphan designation is revoked; (ii) its marketing approval is withdrawn; (iii) the orphan exclusivity holder consents to the approval of another applicant's product; (iv) the orphan exclusivity holder is unable to assure the availability of a sufficient quantity of drug; or (v) a showing of clinical superiority to the product with orphan exclusivity by a competitor product. If a drug designated as an orphan product receives marketing approval for an indication broader than what is designated, it may not be entitled to orphan drug exclusivity. There can be no assurance that we will receive orphan drug designation for Resunab in the indications of cystic fibrosis, scleroderma, or other orphan inflammatory diseases.

## ***Drug Development in Europe***

In the European Union, our future products may also be subject to extensive regulatory requirements. Similar to the United States, the marketing of medicinal products has been subject to the granting of marketing authorizations by regulatory agencies. Particular emphasis is also being placed on more sophisticated and faster procedures for reporting of adverse events to the competent authorities.

As in the United States, the various phases of pre-clinical and clinical research in the European Union are subject to significant regulatory controls. Although the regulatory controls on clinical research are currently undergoing a harmonization process following the adoption of the Clinical Trials Directive 2001/20/EC, there are currently significant variations in the member state regimes. All member states, however, currently require independent institutional review board approval of interventional clinical trials. Except for the United Kingdom Phase I studies in health volunteers, all clinical trials require either prior governmental notification or approval. Most regulators also require the submission of adverse event reports during a study and a copy of the final study report.

## ***Review and Approval in the European Union***

In the European Union, approval of new medicinal products can be obtained through one of three processes: the mutual recognition procedure, the centralized procedure and the decentralized procedure. We intend to determine which process we will follow, if any, in the future.

**Mutual Recognition Procedure:** An applicant submits an application in one European Union member state, known as the reference member state. Once the reference member state has granted the marketing authorization, the applicant may choose to submit applications in other concerned member states, requesting them to mutually recognize the marketing authorizations already granted. Under this mutual recognition process, authorities in other concerned member states have 55 days to raise objections, which must then be resolved by discussion among the concerned member states, the reference member state and the applicant within 90 days of the commencement of the mutual recognition procedure. If any disagreement remains, all considerations by authorities in the concerned member states are suspended and the disagreement is resolved through an arbitration process. The mutual recognition procedure results in separate national marketing authorizations in the reference member state.

**Centralized Procedure:** This procedure is currently mandatory for products developed by means of a biotechnological process and optional for new active substances and other "innovative medicinal products with novel characteristics." Under this procedure, an application is submitted to the European Agency for the Evaluation of Medical Products. Two European Union member states are appointed to conduct an initial evaluation of each application. These countries each prepare an assessment report that is then used as the basis of a scientific opinion of the Committee on Proprietary Medical Products. If this opinion is favorable, it is sent to the European Commission, which drafts a decision. After consulting with the member states, the European Commission adopts a decision and grants a marketing authorization, which is valid throughout the European Union and confers the same rights and obligations in each of the member states as a marketing authorization granted by that member state.

Decentralized Procedure: The most recently introduced of the three processes for obtaining approval of new medicinal processes in the European Union, the decentralized procedure is similar to the mutual recognition procedure described above, but with differences in the timing that key documents are provided to concerned member states by the reference member state, the overall timing of the procedure and the possibility of, among other things, “clock stops” during the procedure.

### ***Post-Marketing Requirements***

Following approval of a new product, a pharmaceutical company and the approved product are subject to continuing regulation by the FDA and other federal and state regulatory authorities, including, among other things, monitoring and recordkeeping activities, reporting to applicable regulatory authorities of adverse experiences with the product, providing the regulatory authorities with updated safety and efficacy information, product sampling and distribution requirements, and complying with promotion and advertising requirements, which include, among others, standards for direct-to-consumer advertising, restrictions on promoting drugs for uses or in patient populations not described in the drug’s approved labeling (known as “off-label use”), limitations on industry-sponsored scientific and educational activities, and requirements for promotional activities involving the internet. Although physicians may prescribe legally available drugs for off-label uses, manufacturers may not market or promote such off-label uses. Modifications or enhancements to the products or labeling or changes of site of manufacture are often subject to the approval of the FDA and other regulators, which may or may not be received or may result in a lengthy review process.

Prescription drug advertising is subject to federal, state and foreign regulations. In the United States, the FDA regulates prescription drug promotion, including direct-to-consumer advertising. Prescription drug promotion materials must be submitted to the FDA in conjunction with their first use. Any distribution of prescription drug products and pharmaceutical samples must comply with the U.S. Prescription Drug Marketing Act, a part of the U.S. Federal Food, Drug and Cosmetic Act. Once a product is approved, its manufacture is subject to comprehensive and continuing regulations by the FDA. The FDA regulations require the products be manufactured in specific approved facilities and in accordance with current good manufacturing practices, and NDA holders must list their products and register their manufacturing establishments with the FDA. These regulations also impose certain organizational, procedural and documentation requirements with respect to manufacturing and quality assurance activities. Drug manufacturers and other entities involved in the manufacture and distribution of approved drugs are subject to periodic unannounced inspections by the FDA and certain state agencies for compliance with current good manufacturing practice and other laws. NDA holders using contract manufacturers laboratories or packagers are responsible for the selection and monitoring of qualified firms. These firms are subject to inspections by the FDA at any time, and the discovery of violative conditions could result in enforcement actions that interrupt the operation of any such facilities or the ability to distribute products manufactured, processed or tested by them.

### ***Special Protocol Assessment***

The Federal Food, Drug and Cosmetic Act directs the FDA to meet with sponsors, pursuant to a sponsor’s written request, for the purpose of reaching agreement on the design and size of clinical trials intended to form the primary basis of an efficacy claim in an NDA. If an agreement is reached, the FDA will reduce the agreement to writing and make it part of the administrative record. This agreement is called a special protocol assessment or SPA. While the FDA’s guidance on SPAs states that documented SPAs should be considered binding on the review division, the FDA has latitude to change its assessment if certain exceptions apply. Exceptions include public health concerns emerging that were unrecognized at the time of the protocol assessment, identification of a substantial scientific issue essential to the safety or efficacy testing that later comes to light, a sponsor’s failure to follow the protocol agreed upon, or the FDA’s reliance on data, assumptions or information that are determined to be wrong.

### ***Other Regulatory Matters***

Manufacturing, sales, promotion and other activities following product approval are also subject to regulation by numerous regulatory authorities in addition to the FDA, including, in the United States, the Centers for Medicare & Medicaid Services (“CMS”), other divisions of the Department of Health and Human Services, the Drug Enforcement Administration, the Consumer Product Safety Commission, the Federal Trade Commission, the Occupational Safety & Health Administration, the Environmental Protection Agency, and state and local governments. Sales, marketing and scientific/educational programs must also comply with federal and state fraud and abuse laws. Pricing and rebate programs must comply with the Medicaid rebate requirements of the U.S. Omnibus Budget Reconciliation Act of 1990. If products are made available to authorized users of the Federal Supply Schedule of the General Services Administration, additional laws and requirements apply. The handling of any controlled substances must comply with the U.S. Controlled Substances Act and Controlled Substances Import and Export Act. Products must meet applicable child-resistant packaging requirements under the U.S. Poison Prevention Packaging Act. Manufacturing, sales, promotion and other activities are also potentially subject to federal and state consumer protection and unfair completion laws.

The distribution of pharmaceutical products is subject to additional requirements and regulations, including extensive record-keeping, licensing, storage and security requirements intended to prevent the unauthorized sale of pharmaceutical products.

### ***Third-Party Payer Coverage and Reimbursement***

Significant uncertainty exists as to the coverage and reimbursement status of any of our drug candidates that ultimately may obtain regulatory approval. In both the United States and foreign markets, our ability to commercialize our product candidates successfully, and to attract commercialization partners for our product candidates, depends in significant part on the availability of adequate financial coverage and reimbursement from third-party payers, including, in the United States, governmental payers such as the Medicare and Medicaid programs, managed care organizations, and private health insurers. Medicare is a federally funded program managed by the CMS, through local fiscal intermediaries and carriers that administer coverage and reimbursement for certain healthcare items and services furnished to the elderly and disabled. Medicaid is an insurance program for certain categories of patients whose income and assets fall below state defined levels and who are otherwise uninsured that is both federally and state funded and managed by each state. The federal government sets general guidelines for Medicaid and each state creates specific regulations that govern its individual program. Each payer has its own process and standards for determining whether it will cover and reimburse a procedure or particular product. Private payers often rely on the lead of the governmental payers in rendering coverage and reimbursement determinations. Therefore, achieving favorable CMS coverage and reimbursement is usually a significant gating issue for successful introduction of a new product. The competitive position of some of our products will depend, in part, upon the extent of coverage and adequate reimbursement for such products and for the procedures in which such products are used. Prices at which we or our customers seek reimbursement for our product candidates can be subject to challenge, reduction or denial by the government and other payers.

The United States Congress and state legislatures may, from time to time, propose and adopt initiatives aimed at cost containment, which could impact our ability to sell our product candidates profitably. For example, in March 2010, President Obama signed into law the Patient Protection and Affordable Care Act and the associated reconciliation bill, which we refer to collectively as the Health Care Reform Law, a sweeping law intended to broaden access to health insurance, reduce or constrain the growth of healthcare spending, enhance remedies against fraud and abuse, add new transparency requirements for healthcare and health insurance industries, impose new taxes and fees on the health industry and impose additional health policy reforms. Effective October 1, 2010, the Health Care Reform Law revised the definition of “average manufacturer price” for reporting purposes, which could increase the amount of Medicaid drug rebates to states once the provision is effective. Further, the law imposes a significant annual fee on companies that manufacture or import branded prescription drug products. Substantial new provisions affecting compliance have also been enacted, which may require us to modify our business practices with healthcare practitioners. We will not know the full effects of the Health Care Reform Law until applicable federal and state agencies issue regulations or guidance under the new law. Although it is too early to determine the effect of the Health Care Reform Law, the new law appears likely to continue the pressure on pharmaceutical pricing, especially under the Medicare program, and may also increase our regulatory burdens and operating costs. Moreover, in the coming years, additional changes could be made to governmental healthcare programs that could significantly impact the success of our product candidates.

The cost of pharmaceuticals continues to generate substantial governmental and third-party payer interest. We expect that the pharmaceutical industry will experience pricing pressures due to the trend toward managed healthcare, the increasing influence of managed care organizations and additional legislative proposals. Our results of operations could be adversely affected by current and future healthcare reforms.

Some third-party payers also require pre-approval of coverage for new or innovative devices or drug therapies before they will reimburse healthcare providers that use such therapies. While we cannot predict whether any proposed cost-containment measures will be adopted or otherwise implemented in the future, the announcement or adoption of these proposals could have a material adverse effect on our ability to obtain adequate prices for our product candidates and operate profitably.

In addition, in some foreign countries, the proposed pricing for a drug must be approved before it may be lawfully marketed. The requirements governing drug pricing vary widely from country to country. For example, the European Union provides options for its member states to restrict the range of medicinal products for which their national health insurance systems provide reimbursement and to control the prices of medicinal products for human use. A member state may approve a specific price for the medicinal product or it may instead adopt a system of direct or indirect controls on the profitability of the company placing the medicinal product on the market. There can be no assurance that any country that has price controls or reimbursement limitations for pharmaceutical products will allow favorable reimbursement and pricing arrangements for any of our products. Historically, products launched in the European Union do not follow price structures of the United States and generally tend to be significantly lower.

#### ***Other Healthcare Laws and Compliance Requirements***

In the United States, our activities are potentially subject to regulation by various federal, state and local authorities in addition to the FDA, including the CMS, other divisions of the United States Department of Health and Human Services (e.g., the Office of Inspector General), the United States Department of Justice and individual United States Attorney offices within the Department of Justice, and state and local governments. These regulations include:

- the federal healthcare program anti-kickback law which prohibits, among other things, persons from soliciting, receiving or providing remuneration, directly or indirectly, to induce either the referral of an individual, for an item or service or the purchasing or ordering of a good or service, for which payment may be made under federal healthcare programs 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 Medicare, Medicaid, or other government reimbursement programs that are false or fraudulent. The government may assert that a claim including items or services resulting from a violation of the federal healthcare program anti-kickback law or related to off-label promotion constitutes a false or fraudulent claim for purposes of the federal false claims laws;
- the federal Health Insurance Portability and Accountability Act of 1996 which prohibits executing a scheme to defraud any healthcare benefit program or making false statements relating to healthcare matters and which also imposes certain requirements relating to the privacy, security and transmission of individually identifiable health information;
- the federal transparency requirements under the Health Care Reform Law requires manufacturers of drugs, devices, biologics, and medical supplies to report to the Department of Health and Human Services information related to physician payments and other transfers of value and physician ownership and investment interests;

- the Federal Physician Payments Sunshine Act within the ACA, and its implementing regulations, require that certain manufacturers of drugs, devices, biological and medical supplies for which payment is available under Medicare, Medicaid or the Children’s Health Insurance Program (with certain exceptions) to report information related to certain payments or other transfers of value made or distributed to physicians and teaching hospitals, or to entities or individuals at the request of, or designated on behalf of, the physicians and teaching hospitals and to report annually certain ownership and investment interests held by physicians and their immediate family members; and
- state 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 payer, including commercial insurers, and state laws governing the privacy and security of health information in certain circumstances, many of which differ from each other in significant ways and often are not preempted by federal laws, thus complicating compliance efforts.

In addition, we may be subject to data privacy and security regulation by both the federal government and the states in which we conduct our business. The Health Insurance Portability and Accountability Act, or HIPAA, as amended by the Health Information Technology for Economic and Clinical Health Act, or HITECH, and its implementing regulations, imposes certain requirements relating to the privacy, security and transmission of individually identifiable health information. Among other things, HITECH makes HIPAA’s privacy and security standards directly applicable to “business associates”—independent contractors or agents of covered entities that receive or obtain protected health information in connection with providing a service on behalf of a covered entity. HITECH also created four new tiers of civil monetary penalties, amended HIPAA to make civil and criminal penalties directly applicable to business associates and possibly other persons, 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.

### ***Post-Marketing Regulations***

Following approval of a new product, a pharmaceutical company and the approved product are subject to continuing regulation by the FDA and other federal and state regulatory authorities, including, among other things, monitoring and recordkeeping activities, reporting to applicable regulatory authorities of adverse experiences with the product, providing the regulatory authorities with updated safety and efficacy information, product sampling and distribution requirements, and complying with promotion and advertising requirements, which include, among others, standards for direct-to-consumer advertising, restrictions on promoting drugs for uses or in patient populations not described in the drug’s approved labeling (known as “off-label use”), limitations on industry-sponsored scientific and educational activities, and requirements for promotional activities involving the internet. Although physicians may prescribe legally available drugs for off-label uses, manufacturers may not market or promote such off-label uses. Modifications or enhancements to the products or labeling or changes of site of manufacture are often subject to the approval of the FDA and other regulators, which may or may not be received or may result in a lengthy review process.

### **Employees**

We have five employees. All of our employees will be engaged in administration, finance, clinical, regulatory and business development functions. We believe our relations with our employees are good. We anticipate that the number of employees will grow as we continue to develop our product candidates. In addition, we utilize and will continue to utilize consultants, clinical research organizations and third parties to perform our pre-clinical studies, clinical studies, manufacturing and regulatory functions.

**Facilities**

Our principal offices are 100 River Ridge Drive, Norwood, MA 02062. We have signed a three year lease, commencing July 1, 2014, at an annual cost of \$54,900. We believe our facilities are adequate for our foreseeable needs.

**Legal Matters**

We are not currently subject to any material legal proceedings. However, we may from time to time become a party to various legal proceedings arising in the ordinary course of our business.



## MANAGEMENT AND BOARD OF DIRECTORS

The following sets forth certain information with respect to our executive officers and directors.

<u>Name</u>	<u>Age</u>	<u>Position(s)</u>
Yuval Cohen, Ph.D.	39	Chief Executive Officer, Director
Mark Tepper, Ph.D.	57	President and Chief Scientific Officer
Barbara White, M.D.	64	Chief Medical Officer
Sean Moran	56	Chief Financial Officer
Alan Holmer	65	Director
David P. Hochman	39	Director
Renu Gupta	59	Director
Avery W. Catlin	67	Director

### Management

#### **Yuval Cohen, Ph.D., Chief Executive Officer and Director**

Dr. Cohen has served as our Chief Executive Officer and one of our directors since the Merger. Dr. Cohen joined JB Therapeutics as its Chief Executive Officer in July 2013. Prior to joining JB Therapeutics, he was the President and co-founder of Celsus Therapeutics PLC (Nasdaq CM: CLTX) from 2005 until February 2013, and as Senior Vice President from February 2013 until June 2013. Dr. Cohen was also a board member of Celsus until December 2013. Starting as a small startup with seed financing, under Dr. Cohen's leadership, Celsus developed five novel anti-inflammatory drug candidates with two reaching Phase IIB stages focusing on allergies and autoimmune diseases of the skin (eczema), airways (cystic fibrosis and hay fever), digestive tract (inflammatory bowel disease) and eye (conjunctivitis). Dr. Cohen participated in all stages of the pre-clinical and clinical development from project management to interactions with regulatory bodies and with the investment community in fundraising. Apart from his industry experience, he is also the author of a number of peer-reviewed papers and reviews as well as listed inventor on a number of patents. Dr. Cohen holds a K.S. in microbiology and biochemistry from University of Cape Town, South Africa, and has a Ph.D., summa cum laude, from the Curie Institute of Cancer Research in Paris and the University of Paris V.

#### **Mark A. Tepper, Ph.D., President and Chief Scientific Officer**

Dr. Tepper has served as our President and Chief Scientific Officer since the Merger. He has more than twenty five years of management experience in pharmaceutical R&D. During the last 12 years, Dr. Tepper has focused on identifying unique early stage biotechnology assets which fill a significant unmet medical need and has founded or co-founded three new biotech companies, including Corbus, to commercialize these assets. Prior to joining JB Therapeutics in January 2012, Dr. Tepper was a consultant to the biotechnology and pharmaceutical industry from 2009-2011. Prior to that he was President and Chief Executive Officer of NKT Therapeutics Inc. from 2007-2008 and before that President of RXi Pharmaceuticals from 2003 to 2007. Dr. Tepper served at EMD Serono from 1995 to 2002, most recently as Vice President of Research and Operations where he played a key role in the development and commercialization of the fertility drug Gonal-F and multiple sclerosis drug Rebif. While with Bristol Myers Squibb from 1988 to 1995, most recently as Senior Research Investigator, he was a member of the project team responsible for developing the cancer drug Taxol and the rheumatoid arthritis drug Orencia. Dr. Tepper received a Ph.D. in Biochemistry & Biophysics from Columbia University, College of Physicians & Surgeons, New York, and a B.A in Chemistry with Highest Honors from Clark University, Worcester, Massachusetts. He gained postdoctoral training at the University of Massachusetts Medical School, Worcester, Massachusetts in the laboratory of Professor Michael P. Czech.

**Barbara White, M.D., Chief Medical Officer**

Dr. White has served as our Chief Medical Officer since August 2014. Previously, Dr. White served as Senior Vice President and Head of Research and Development at Stiefel, a dermatological pharmaceutical division of GlaxoSmithKline, a public pharmaceutical company, from 2011 to 2013. From 2010 to 2011, Dr. White was Vice President and Head of Immunology Therapeutic Area at UCB, a public biopharmaceutical manufacturing company. At MedImmune, LLC, a subsidiary of AstraZeneca plc, a public pharmaceutical company, Dr. White served first as Senior Director of Clinical Development from 2006 until 2007, and then as Vice President until 2010. Prior to her pharmaceutical career, Dr. White was Professor and Associate Chair of Research, Department of Medicine, at the University of Maryland School of Medicine. She was formerly Associate Chief of Staff, Research Service, at the Baltimore Veteran Administration (VA) Medical Center, where her research focused on immune-mediated mechanisms of lung fibrosis in scleroderma. Barbara also previously served as Co-Director of the Johns Hopkins University and University of Maryland Scleroderma Center. Barbara received her medical degree from the University of Pennsylvania School of Medicine and is board certified in internal medicine, rheumatology and allergy/clinical immunology. She completed her postdoctoral studies in basic cellular immunology at the National Institutes of Health.

**Sean Moran, CPA, MBA, Chief Financial Officer**

Mr. Moran has served as our Chief Financial Officer since the Merger. Mr. Moran joined JB Therapeutics as its Chief Financial Officer in January 2014. Mr. Moran has twenty years of senior financial experience with emerging biotechnology, drug delivery and medical device companies. Mr. Moran has worked at three different companies that completed initial public offerings and maintained a listing on a public exchange. Before joining Corbus, Mr. Moran served as Chief Financial Officer for InVivo Therapeutics Corporation from 2010 to 2013, Celsion Corporation from 2008 to 2010, Transport Pharmaceuticals Inc. from 2006 to 2008, Echo Therapeutics Inc. from 2002 to 2006, SatCon Technology Corporation from 2000 to 2002, and Anika Therapeutics Inc. from 1993 to 2000. Mr. Moran is a CPA by training and earned his M.B.A. and a B.S. in Accounting from Babson College.

**Directors****Yuval Cohen, Ph.D., Chief Executive Officer and Director**

See description under Management.

**Alan Holmer, Director**

Mr. Holmer became a director of Corbus Pharmaceutical in January 2014 and became one of our directors in connection with the Merger. From 1996 to 2005 he served as President and Chief Executive Officer of the Pharmaceutical Research and Manufacturers of America (PhRMA), an organization that represents the worldwide interests of leading pharmaceutical and biotechnology companies, based in Washington, D.C. From 2005 to 2007 and again from February 2009 until its acquisition by Merck in May 2011, Mr. Holmer served as a Director of Inspire Pharmaceuticals, Inc., and at various times as member of its Corporate Governance Committee, Audit Committee, and Drug Development Committee. In addition to his pharmaceutical industry experience, Mr. Holmer has significant expertise in handling legal, international trade and governmental issues, having held various positions within the office of the U.S. Trade Representative, the Commerce Department and the White House, including serving as Deputy U.S. Trade Representative with rank of Ambassador. Mr. Holmer served as Special Envoy for China and the Strategic Economic Dialogue, a position to which he was appointed by Secretary of the Treasury, Henry M. Paulson, Jr. from 2007 to 2009. Mr. Holmer also served as a partner at the international law firm, Sidley & Austin (now Sidley Austin LLP), and as an associate at Steptoe & Johnson LLP. Since January 2012, Mr. Holmer has served as Special Counsel in the Washington, D.C. office of Smith, Currie & Hancock LLP. Mr. Holmer has been involved in many community service organizations, included currently serving as the Chairman of the Board of the Metropolitan Washington, D.C., Chapter of the Cystic Fibrosis Foundation. He also served as Co-Chairman of the President's Advisory Council on HIV/AIDS. Mr. Holmer received an A.B. degree from Princeton University and a J.D. from Georgetown University Law Center.

**David P. Hochman, Director**

Mr. Hochman has been one of our directors since December 2013. Since June 2006, Mr. Hochman has been Managing Partner of Orchestra Medical Ventures, LLC, an investment firm that employs an innovative strategy to create, build and invest in medical technology companies intended to generate substantial clinical value and superior investor returns. He is also President of Accelerated Technologies, Inc. (ATI), a medical device accelerator managed by Orchestra. He has over seventeen years of venture capital and investment banking experience. Mr. Hochman is the Chairman of Vital Access Corp. and serves as a director of MOTUS GI Medical Technologies Ltd., Caliber Therapeutics, BackBeat Medical (where he is also President), FreeHold Surgical, Maternity Neighborhood, and Prescient Medical, Inc., an interventional cardiovascular device company Mr. Hochman co-founded in 2004. Prior to joining Orchestra, Mr. Hochman was Chief Executive Officer of Spencer Trask Edison Partners, LLC, a principal investment partnership focused on early stage healthcare companies. He was also Managing Director of Spencer Trask Ventures, Inc. during which time he was responsible for directing the firm's venture banking group and led financing transactions for over twenty early-stage companies. Mr. Hochman was a board advisor of Health Dialog Services Corporation, a world leader in collaborative care management that was acquired in 2008 by the British United Provident Association for \$750 million. From 2005 to 2007, he was a co-founder and director of PROLOR Biotech, Inc., a biopharmaceutical company developing longer-lasting versions of approved therapeutic proteins, which was purchased by Opko Health (NYSE: OPK) in 2013 for over \$600 million. Mr. Hochman also currently serves as a board member of two non-profit organizations: the Citizens Committee for New York City and the Mollie Parnis Livingston Foundation. He graduated with honors from the University of Michigan.

**Dr. Renu Gupta, Director**

Dr. Gupta became one of our directors in June 2014. Dr. Gupta has more than 25 years of drug development, regulatory and senior management experience within the biopharma industry. Renu is currently special advisor to the CEO of Insmad having served as Chief Medical Officer there since 2008. Previously Renu has served as the Executive Vice President Development and Chief Medical Officer of Transave, Inc. since September 2006, and has been a Director of the UK subsidiary, Transave Inhalation Biotherapeutics as of May 2008. From May 2003 to August 2006, she held the position of Senior Vice President Development at Antigenics, Inc. Prior to that, she served at Novartis as Vice President and Head of U.S. Clinical Research and Development and Global Head of Cardiovascular, Metabolics, Endocrine and Gastroenterology Research. Renu also spent almost 10 years at Bristol-Myers Squibb, where she was responsible for clinical research, business development and global development and marketing strategy for infectious diseases and immunology. She received her bachelor and medical degrees from the University of Zambia and completed her medical and post-doctoral training at Albert Einstein Medical Center, the Wistar Institute of Anatomy and Biology, Children's Hospital of Philadelphia, and the University of Pennsylvania, where she was Adjunct Assistant Professor until 1997. Her work has been published in leading peer-reviewed journals and she has been active in numerous relevant academic and professional societies. Renu is a founding member of the Industrial Management Board at the Harvard Medical School, served as Chair of the Medical Advisory Council for Antigenics, past member of the Scientific Advisory Board at Cerimon Pharmaceuticals, and the Institute of Medicine Forum on Emerging Infections, and is a Board Member of Aim at Melanoma, formerly Charlie Guild Melanoma Foundation.

**Avery W. (Chip) Catlin, Director**

Mr. Catlin became one of our directors in August 2014. Currently, Mr. Catlin also serves as Senior Vice President, Chief Financial Officer, and Secretary of Celldex Therapeutics, Inc., a public biopharmaceutical company. Prior to joining Celldex Therapeutics, Inc. in January 2000, he served as Vice President, Operations and Finance, and Chief Financial Officer of Endogen, Inc., a public life science research products company, from 1996 to 1999. From 1992 to 1996, he held various financial positions at Repligen Corporation, a public biopharmaceutical company, serving the last two years as Chief Financial Officer. Earlier in his career, he held the position of Chief Financial Officer at MediSense, Inc., a Massachusetts-based medical device company. Mr. Catlin received his B.A. degree from the University of Virginia and M.B.A. from Babson College and is a Certified Public Accountant.

**Board Committees**

Prior to the effectiveness of the registration statement of which this prospectus forms a part, our board of directors will establish three standing committees: an Audit Committee, a Compensation Committee and a Nominating and Corporate Governance Committee. Each of these committees will operate under a charter that has been approved by our board of directors.

**Audit Committee.** The Audit Committee will oversee and monitor our financial reporting process and internal control system, review and evaluate the audit performed by our registered independent public accountants and reports to the board any substantive issues found during the audit. The Audit Committee will be directly responsible for the appointment, compensation and oversight of the work of our registered independent public accountants. The Audit Committee will review and approve all transactions with affiliated parties. The board will adopt a written charter for the Audit Committee, which will be available on our website. All members of the Audit Committee will be independent directors as defined under NASDAQ's listing standards. We intend to find an audit committee "financial expert" as that term is defined by SEC regulations.

**Compensation Committee.** The Compensation Committee will provide advice and make recommendations to the board in the areas of employee salaries, benefit programs and director compensation. The Compensation Committee will also review the compensation of our President, Chief Executive Officer, and other officers and make recommendations in that regard to the board as a whole. The board will adopt a written charter for the Compensation Committee, which will be available on our website. All members of the Compensation Committee will be independent directors as defined under NASDAQ's listing standards.

**Nominating and Corporate Governance Committee.** The Nominating and Corporate Governance Committee will nominate individuals to be elected to the full board by our stockholders. The Nominating and Corporate Governance Committee will consider recommendations from stockholders if submitted in a timely manner in accordance with the procedures set forth in our Bylaws and will apply the same criteria to all persons being considered. All members of the Nominating and Corporate Governance Committee will be independent directors as defined under the NASDAQ listing standards.

#### **Director Independence**

Prior to the effectiveness of the registration statement of which this prospectus forms a part, our board of directors will review the materiality of any relationship that each of our directors has with us, either directly or indirectly. Based on this review, our board will determine which of our directors are “independent directors” as defined in the rules of the NASDAQ Stock Market corporate governance requirements and Rule 10A-3 promulgated under the Securities Exchange Act of 1934, as amended.

#### **Scientific Advisory Board**

We believe in seeking and attracting scientific and clinical leaders in the fields of immunology and inflammatory diseases to provide counsel and support our growth. We currently have a scientific advisory board of five members.

#### **Sumner Burstein, Ph.D.**

Prof. Burstein co-founded the Company and has been a faculty member of the Department of Biochemistry & Molecular Pharmacology at The University of Massachusetts Medical School since 1977. His research activities have centered on the structure and function of natural and synthetic cannabinoids (unrelated to cannabis) and their mechanism of action. His research led to the discovery of the principal route of metabolism of THC, from which he demonstrated that terminal carboxylic acid metabolites of THC are non-psychoactive, yet retain their activity as analgesic and anti-inflammatory agents. This resulted in the design and discovery of ajulemic acid (Resunab™), which is being pursued by the Company. More recently, he discovered a new family of lipid signaling molecules called lipoamino acids. Earlier in his career, Dr. Burstein was a Senior Scientist at The Worcester Foundation for Experimental Biology where, in addition to his studies on cannabinoids, he worked in the areas of steroids and prostaglandins biochemistry. Dr. Burstein received his doctoral degree at Wayne State University, a master’s degree at Brandeis University and a bachelor’s degree at MIT, all in the field of chemistry. He was a Postdoctoral Fellow in the department of Prof. Efraim Katchalski at The Weizman Institute in Israel.

#### **Michael Knowles, M.D., Ph.D.**

Dr. Michael Knowles is a Professor of Pulmonary and Critical Care medicine at the University of North Carolina. He has over three decades of clinical research experience that spans across the disciplines of biology, physiology and the design of clinical trials in both the academic and private sectors. He is currently the head of two large multicenter studies: 1) Genetic Modifiers of Disease phenotype (severity) in cystic fibrosis lung and liver disease, which also includes a recently-formed International Consortium doing a whole genome scan; and 2) a consortium with eight sites in North America to study rare genetic disorders of mucociliary clearance.

#### **Robert Simms, M.D.**

Dr. Simms is Rheumatology Section Chief at Boston University School of Medicine (BUMC) and the Chairman of the International Clinical Scleroderma Consortium. His major research interests are in scleroderma clinical trial outcome measures and clinical trial design. He is the most active scleroderma clinician at BUMC, and is the site Principal Investigator on multiple multicenter scleroderma clinical trials. This has included a recently completed trial of rituximab and Imatinib in scleroderma. Dr. Simms has received National Institutes of Health (NIH) support throughout his career for a number of multi-center clinical trial in scleroderma.

**John Varga, M.D.**

Dr. Varga is the Hughes Professor of Rheumatology at Northwestern University School of Medicine and Director of the Northwestern Scleroderma Program (NW). His research efforts encompass cell and molecular biology, immunology, biomarkers and genetic studies of scleroderma, and have resulted in over 240 original papers, review and book chapters and 200 abstracts. His clinical responsibilities include the supervision of research coordinators and study nurses at the NW Scleroderma clinic. He has mentored over 20 residents and post-doctoral fellows throughout his career. Currently, his main research focus is the interface between injury and inflammation in the pathogenesis of fibrosis; the identification and characterization of phenotypic and molecular heterogeneity of scleroderma; and the identification and validation of novel targets for scleroderma therapy using cell- and animal-based proof of principle studies.

**George Kunos, M.D., Ph.D.**

Dr. Kunos is Scientific Director at the National Institute of Health's National Institute on Alcohol Abuse & Alcoholism. Dr. Kunos is an expert in the biology of the endocannabinoid system. His laboratory studies the role of endocannabinoids in neuroendocrine, metabolic and cardiovascular regulation. He is recipient of the Mechoulam Award of the International Cannabinoid Research Society and the NIH Director's Award. Dr. Kunos received his M.D. from Semmelweis University and his Ph.D. from McGill University.

**Code of Business Conduct and Ethics**

We have not adopted a written Code of Business Conduct and Ethics but anticipate doing so following the effectiveness of the registration statement of which this prospectus is a part.

**Limitation of Directors Liability and Indemnification**

The Delaware General Corporation Law authorizes corporations to limit or eliminate, subject to certain conditions, the personal liability of directors to corporations and their stockholders for monetary damages for breach of their fiduciary duties. Our certificate of incorporation limits the liability of our directors to the fullest extent permitted by Delaware law.

We have director and officer liability insurance to cover liabilities our directors and officers may incur in connection with their services to us, including matters arising under the Securities Act. Our certificate of incorporation and bylaws also provide that we will indemnify our directors and officers who, by reason of the fact that he or she is one of our officers or directors of our company, is involved in any action, suit or proceeding, whether civil, criminal, administrative or investigative related to their board role with the company.

There is no pending litigation or proceeding involving any of our directors, officers, employees or agents in which indemnification will be required or permitted. We are not aware of any threatened litigation or proceeding that may result in a claim for such indemnification.

## EXECUTIVE COMPENSATION

### Summary Compensation Table

No named executive officers received compensation during 2013. In 2014, our named executive officers received compensation pursuant to employment agreements, described below.

### Employment Agreements

On April 11, 2014, the closing date of the Merger, we entered into an employment agreement with Dr. Yuval Cohen, which is effective for a period of two years. Dr. Cohen's employment agreement provides for him to serve as Chief Executive Officer and provides for an annual base salary of \$240,000 and a signing bonus of \$45,000. In addition, Dr. Cohen is eligible to receive an annual bonus, which is targeted at up to 33% of his base salary but which may be adjusted by our board of directors based on his individual performance and our performance as a whole. On April 11, 2014, Dr. Cohen received a grant of options covering 312,728 shares of common stock at an exercise price of \$1.00 per share. These options vest 25% on the one year anniversary of the grant date and the remainder in equal monthly installments over three years, with full acceleration of vesting on a change in control (as defined in our 2014 Equity Compensation Plan). Dr. Cohen is subject to non-compete and non-solicitation provisions, which apply during the term of his employment and for a period of twelve months following termination of his employment. In addition, the employment agreement contains customary confidentiality and assignment of inventions provisions. If we terminate Dr. Cohen's employment without cause or he terminates his employment for good reason, we are required to pay him as severance twelve months of his base salary plus reimbursement of health coverage for twelve months, and he may be paid a pro-rated bonus, each subject to his timely execution of a general release and continuing compliance with covenants. Dr. Cohen's severance payments and other applicable payments and benefits will be subject to reduction to the extent doing so would put him in a better after-tax position after taking into account any excise tax he may incur under Internal Revenue Code Section 4999 in connection with any change in control of us or his subsequent termination of employment.

On April 11, 2014, the closing date of the Merger, we entered into an employment agreement with Sean Moran, which we amended and restated on June 26, 2014. Mr. Moran's employment agreement provides for him to serve as Chief Financial Officer and provides for an annual base salary of \$200,000 and a signing bonus of \$20,000. In addition, Mr. Moran is eligible to receive an annual bonus, which is targeted at up to 33% of his base salary but which may be adjusted by our board of directors based on his individual performance and our performance as a whole. Mr. Moran's employment agreement is on an at will basis for an indefinite term. On April 11, 2014, Mr. Moran, received a grant of options covering 107,220 shares of common stock at an exercise price of \$1.00 per share. These options vest 25% on the one year anniversary of the grant date and the remainder in equal monthly installments over three years, with full acceleration of vesting on a change in control (as defined in our 2014 Equity Compensation Plan). Mr. Moran is subject to non-compete and non-solicitation provisions, which apply during the term of his employment and for a period of twelve months following termination of his employment. In addition, the employment agreement contains customary confidentiality and assignment of inventions provisions. Mr. Moran's applicable payments and benefits will be subject to reduction to the extent doing so would put him in a better after-tax position after taking into account any excise tax he may incur under Internal Revenue Code Section 4999 in connection with any change in control of us or his subsequent termination of employment.

On April 11, 2014, the closing date of the Merger, we entered into an employment agreement with Dr. Mark Tepper, which is effective for a period of two years. Dr. Tepper's employment agreement provides for him to serve as President and Chief Scientific Officer and provides for an annual base salary of \$240,000. In addition, Dr. Tepper is eligible to receive an annual bonus, which is targeted at up to 33% of his base salary but which may be adjusted by our board of directors based on his individual performance and our performance as a whole. On April 11, 2014, Dr. Tepper received a grant of options covering 271,600 shares of common stock at an exercise price of \$1.00 per share. These options vest 25% on the one year anniversary of the grant date and the remainder in equal monthly installments over three years, with full acceleration of vesting on a change in control (as defined in our 2014 Equity Compensation Plan). Dr. Tepper is subject to non-compete and non-solicitation provisions, which apply during the term of his employment and for a period of twelve months following termination of his employment. In addition, the employment agreement contains customary confidentiality and assignment of inventions provisions. If we terminate Dr. Tepper's employment without cause or he terminates his employment for good reason, we are required to pay him as severance twelve months of his base salary plus reimbursement of health coverage for twelve months, and he may be paid a pro-rated bonus, each subject to his timely execution of a general release and continuing compliance with covenants. Dr. Tepper's severance payments and other applicable payments and benefits will be subject to reduction to the extent doing so would put him in a better after-tax position after taking into account any excise tax he may incur under Internal Revenue Code Section 4999 in connection with any change in control of us or his subsequent termination of employment.

## **Outstanding Equity Awards at Fiscal Year-End**

No executive officers held stock options as of December 31, 2013.

## **Director Compensation**

No compensation was paid to non-employee directors during 2013.

## ***Director and Advisory Board Compensation***

We do not currently have a policy regarding compensation for our independent directors and scientific advisory board members. We intend to adopt a policy regarding such compensation when additional Board members are added in the future.

## **2014 Equity Compensation Plan**

### **General**

On March 26, 2014, our board of directors adopted the 2014 Equity Compensation Plan, or the 2014 Plan, subject to stockholder approval, which was received on April 1, 2014, pursuant to the terms described herein.

The general purpose of the 2014 Plan is to provide a means whereby eligible employees, officers, non-employee directors and other individual service providers develop a sense of proprietorship and personal involvement in our development and financial success, and to encourage them to devote their best efforts to our business, thereby advancing our interests and the interests of our stockholders. By means of the 2014 Plan, we seek to retain the services of such eligible persons and to provide incentives for such persons to exert maximum efforts for our success and the success of our subsidiaries.

### **Description of the 2014 Equity Compensation Plan**

The following description of the principal terms of the 2014 Plan is a summary and is qualified in its entirety by the full text of the 2014 Plan.

**Administration.** The 2014 Plan is administered by the Compensation Committee of our board of directors. The Compensation Committee may grant options to purchase shares of our common stock, stock appreciation rights, restricted stock, stock units, performance shares, performance units, incentive bonus awards, other cash-based awards and other stock-based awards. The Compensation Committee also has authority to determine the terms and conditions of each award, prescribe, amend and rescind rules and regulations relating to the 2014 Plan, and amend the terms of awards in any manner not inconsistent with the 2014 Plan (provided that no amendment may adversely affect the rights of a participant without consent). The Compensation Committee may delegate authority to officers to grant options and other awards to employees (other than themselves), subject to applicable law and restrictions in the 2014 Plan. No award may be granted under the 2014 Plan on or after the ten year anniversary of the adoption of the 2014 Plan by our board of directors, but awards granted prior to the ten year anniversary may extend beyond that date.

**Eligibility.** Persons eligible to receive awards under the 2014 Plan include any person who is an employee, officer, director, consultant, advisor or other individual service provider of our Company or any subsidiary, or any person who is determined by the Compensation Committee to be a prospective employee, officer, director, consultant, advisor or other individual service provider of our Company or any subsidiary.

**Shares Subject to the 2014 Plan.** The aggregate number of shares of common stock available for issuance in connection with options and awards granted under the 2014 Plan is 6,850,334 shares. Incentive Stock Options may, but need not be, granted with respect to all of the shares available for issuance under the 2014 Plan. If any award granted under the 2014 Plan payable in shares of common stock is forfeited, cancelled, or returned for failure to satisfy vesting requirements, otherwise terminates without payment being made, or if shares of common stock are withheld to cover withholding taxes on options or other awards, the number of shares of common stock as to which such option or award was forfeited, or which were withheld, will be available for future grants under the 2014 Plan.

In addition, the 2014 Plan contains an “evergreen” provision allowing for an annual increase in the number of shares of our common stock available for issuance under the 2014 Plan on January 1 of each year during the period beginning January 1, 2015, and ending on (and including) January 1, 2024. The annual increase in the number of shares shall be equal to the greater of (i) seven percent (7%) of the total number of shares of our common stock outstanding on December 31st of the preceding calendar year, or (ii) the difference between (x) twenty percent (20%) of the total number of shares of our common stock outstanding on December 31st of the preceding calendar year, and (y) the total number of shares of our common stock reserved under the 2014 Plan on December 31st of such preceding calendar year (including shares subject to outstanding awards, issued pursuant to awards or available for future awards); provided, however, that our board of directors may act prior to the first day of any calendar year to provide that there shall be no increase such calendar year, or that the increase shall be a lesser number of shares of common stock than would otherwise occur.

**Terms and Conditions of Options.** Options granted under the 2014 Plan may be either “incentive stock options” that are intended to meet the requirements of Section 422 of the Code or “nonqualified stock options” that do not meet the requirements of Section 422 of the Code. The Compensation Committee will determine the exercise price of options granted under the 2014 Plan. The exercise price of stock options may not be less than the fair market value per share of our common stock on the date of grant (or 110% of fair market value in the case of incentive stock options granted to a ten-percent stockholder).

If on the date of grant the common stock is listed on a stock exchange or national market system, the fair market value will generally be the closing sale price on the date of grant. If the common stock is not traded on a stock exchange or national market system on the date of grant, the fair market value will generally be the average of the closing bid and asked prices for the common stock on the date of grant. If no such prices are available, the fair market value shall be determined in good faith by the Compensation Committee based on the reasonable application of a reasonable valuation method. Notwithstanding the foregoing, if the date for which fair market value is determined is the date on which the final prospectus relating to an initial public offering of the Company is filed, the fair market value for such date will be the “Price to the Public” (or equivalent) set forth on the cover page for the final prospectus.

No option may be exercisable for more than ten years from the date of grant (five years in the case of an incentive stock option granted to a ten-percent stockholder). Options granted under the 2014 Plan will be exercisable at such time or times as the Compensation Committee prescribes at the time of grant. No employee may receive incentive stock options that first become exercisable in any calendar year in an amount exceeding \$100,000. The Compensation Committee may, in its discretion, permit a holder of a nonqualified stock option to exercise the option before it has otherwise become exercisable, in which case the shares of our common stock issued to the recipient will be restricted stock subject to vesting requirements analogous to those that applied to the option before exercise.

Generally, the exercise price of an option may be paid (a) in cash or by certified bank check, (b) through delivery of shares of our common stock having a fair market value equal to the purchase price, or (c) such other method as approved by the Compensation Committee and set forth in an award agreement. The Compensation Committee is also authorized to establish a cashless exercise program and to permit the exercise price to be satisfied by reducing from the shares otherwise issuable upon exercise a number of shares having a fair market value equal to the exercise price.



No option may be transferred other than by will or by the laws of descent and distribution, and during a recipient's lifetime an option may be exercised only by the recipient. However, the Compensation Committee may permit the holder of nonqualified stock options, share-settled stock appreciation rights, restricted stock, performance shares or other share-settled stock based awards to transfer the option, right or other award to immediate family members, to a trust for estate planning purposes, or by gift to charitable institutions. The Compensation Committee will determine the extent to which a holder of a stock option may exercise the option following termination of service with us.

**Stock Appreciation Rights.** The Compensation Committee may grant stock appreciation rights independent of or in connection with an option. The Compensation Committee will determine the other terms applicable to stock appreciation rights. The base price of a stock appreciation right will be determined by the Compensation Committee, but will not be less than 100% of the fair market value of a share of our common stock on the date of grant. The maximum term of any SAR granted under the 2014 Plan is ten years from the date of grant. Generally, each SAR will entitle a participant upon exercise to an amount equal to:

the excess of the fair market value on the exercise date of one share of our common stock over the base price, *multiplied by*  
the number of shares of common stock as to which the stock appreciation right is exercised.

Payment may be made in shares of our common stock, in cash, or partly in common stock and partly in cash, all as determined by the Compensation Committee.

**Restricted Stock and Stock Units.** The Compensation Committee may award restricted common stock and/or stock units under the 2014 Plan. Restricted stock awards consist of shares of stock that are transferred to a participant subject to restrictions that may result in forfeiture if specified conditions are not satisfied. Stock units confer the right to receive shares of our common stock, cash, or a combination of shares and cash, at a future date upon or following the attainment of certain conditions specified by the Compensation Committee. The Compensation Committee will determine the restrictions and conditions applicable to each award of restricted stock or stock units, which may include performance-based conditions. Dividends with respect to restricted stock may be paid to the holder of the shares as and when dividends are paid to stockholders or at the time that the restricted stock vests, as determined by the Compensation Committee. Dividend equivalent amounts may be paid with respect to stock units, and will be subject to the same restrictions on transferability as the stock units with respect to which they were paid. Unless the Compensation Committee determines otherwise, holders of restricted stock will have the right to vote the shares.

**Performance Shares and Performance Units.** The Compensation Committee may award performance shares and/or performance units under the 2014 Plan. Performance shares and performance units are awards, denominated in either shares or U.S. dollars, which are earned during a specified performance period subject to the attainment of performance criteria, as established by the Compensation Committee. The Compensation Committee will determine the restrictions and conditions applicable to each award of performance shares and performance units.

**Incentive Bonus Awards.** The Compensation Committee may award incentive bonus awards payable in cash or common stock, as set forth in an award agreement. The Compensation Committee will determine the terms and conditions applicable to each incentive bonus award.

**Other Stock-Based and Cash-Based Awards.** The Compensation Committee may award other types of equity-based or cash-based awards under the 2014 Plan, including the grant or offer for sale of shares of our common stock that do not have vesting requirements and the right to receive one or more cash payments subject to satisfaction of such conditions as the Compensation Committee may impose.

**Section 162(m) Compliance.** If stock or cash-based awards are intended to satisfy the conditions for deductibility under Section 162(m) of the Code as “performance-based compensation,” the performance criteria will be selected from among the following, which may be applied to our Company as a whole, or to any subsidiary or any division or operating unit thereof: (a) pre-tax income; (b) after-tax income; (c) net income; (d) operating income or profit; (e) cash flow, free cash flow, cash flow return on investment (discounted or otherwise), net cash provided by operations, or cash flow in excess of cost of capital; (f) earnings per share (basic or diluted); (g) return on equity; (h) returns on sales or revenues; (i) return on invested capital or assets (gross or net); (j) cash, funds or earnings available for distribution; (k) appreciation in the fair market value of our common stock; (l) operating expenses; (m) implementation or completion of critical projects or processes; (n) return on investment; (o) total return to stockholders (meaning the aggregate common stock price appreciation and dividends paid (assuming full reinvestment of dividends) during the applicable period); (p) net earnings growth; (q) return measures (including but not limited to return on assets, capital, equity, or sales); (r) increase in revenues; (s) the Company’s published ranking against its peer group of pharmaceutical companies based on total stockholder return; (t) net earnings; (u) changes (or the absence of changes) in the per share price of the Company’s common stock; (v) clinical or regulatory milestones; (w) earnings before or after any one or more of the following items: interest, taxes, depreciation or amortization, as reflected in the Company’s financial reports for the applicable period; (x) total revenue growth (meaning the increase in total revenues after the date of grant of an award and during the applicable period, as reflected in the Company’s financial reports for the applicable period); (y) economic value created; (z) operating margin or profit margin; (aa) share price or total shareholder return; (bb) cost targets, reductions and savings, productivity and efficiencies; (cc) strategic business criteria, consisting of one or more objectives based on meeting objectively determinable criteria: specified market penetration, geographic business expansion, investor satisfaction, employee satisfaction, human resources management, supervision of litigation, information technology, and goals relating to acquisitions, divestitures, joint ventures and similar transactions, and budget comparisons; (dd) objectively determinable personal or professional objectives, including any of the following performance goals: the implementation of policies and plans, the negotiation of transactions, the development of long term business goals, formation of joint ventures, research or development collaborations, and the completion of other corporate transactions; and (ee) any combination of, or a specified increase or improvement in, any of the foregoing.

At the end of the performance period established in connection with any award, the Compensation Committee will determine the extent to which the performance goal or goals established for such award have been attained, and shall determine, on that basis, the shares or, if applicable, the cash or other property that has been earned and as to which payment will be made. The Compensation Committee will certify in writing the extent to which it has determined that the performance goal or goals established by it for such award have been attained.

With respect to awards intended to be exempt from the deductibility limitation in Section 162(m) of the Code, no participant in any one fiscal year may be granted (x) stock options or stock appreciation rights with respect to more than 3,000,000 shares of common stock in the aggregate, and (y) restricted stock, stock units, performance shares awards, incentive bonus awards and other stock based awards that are denominated in shares of common stock with respect to more than 3,000,000 shares in the aggregate, and the maximum dollar value payable to any participant in any one (1) fiscal year with respect to stock units, performance units or incentive bonus awards or other stock-based awards that may be settled in cash or other property (other than common stock) is \$3,000,000.

**Effect of Certain Corporate Transactions.** The Compensation Committee may, at the time of the grant of an award, provide for the effect of a change in control (as defined in the 2014 Plan) on any award, including (i) accelerating or extending the time periods for exercising, vesting in, or realizing gain from any award, (ii) eliminating or modifying the performance or other conditions of an award, (iii) providing for the cash settlement of an award for an equivalent cash value, as determined by the Compensation Committee, or (iv) such other modification or adjustment to an award as the Compensation Committee deems appropriate to maintain and protect the rights and interests of participants following a change in control. The Compensation Committee may, in its discretion and without the need for the consent of any recipient of an award, also take one or more of the following actions contingent upon the occurrence of a change in control: (a) cause any or all outstanding options and stock appreciation rights to become immediately exercisable, in whole or in part; (b) cause any other awards to become non-forfeitable, in whole or in part; (c) cancel any option or stock appreciation right in exchange for a substitute option; (d) cancel any award of restricted stock, stock units, performance shares or performance units in exchange for a similar award of the capital stock of any successor corporation; (e) redeem any restricted stock, stock unit, performance share or performance unit for cash and/or other substitute consideration with a value equal to the fair market value of an unrestricted share of our common stock on the date of the change in control; (f) cancel any option or stock appreciation right in exchange for cash and/or other substitute consideration based on the value of our common stock on the date of the change in control, and cancel any option or stock appreciation right without any payment if its exercise price exceeds the value of our common stock on the date of the change in control; or (g) make such other modifications, adjustments or amendments to outstanding awards as the Compensation Committee deems necessary or appropriate.

**Amendment, Termination.** The Compensation Committee may amend the terms of awards in any manner not inconsistent with the 2014 Plan, provided that no amendment shall adversely affect the rights of a participant with respect to an outstanding award without the participant's consent. In addition, our board of directors may at any time amend, suspend, or terminate the 2014 Plan, provided that (i) no such amendment, suspension or termination shall materially and adversely affect the rights of any participant under any outstanding award without the consent of such participant and (ii) to the extent necessary to comply with any applicable law, regulation, or stock exchange rule, the 2014 Plan requires us to obtain stockholder consent. Stockholder approval is required for any plan amendment that increases the number of shares of common stock available for issuance under the 2014 Plan or changes the persons or classes of persons eligible to receive awards.

### **Tax Withholding**

As and when appropriate, we shall have the right to require each optionee purchasing shares of common stock and each grantee receiving an award of shares of common stock under the 2014 Plan to pay any federal, state or local taxes required by law to be withheld.

### **Option Grants and Stock Awards**

The grant of options and other awards under the 2014 Plan will be discretionary and we cannot determine now the specific number or type of options or awards to be granted in the future to any particular person or group. Upon consummation of the Merger, options to purchase up to 905,334 shares of common stock under the 2014 Plan were substituted for outstanding options under the JB Therapeutics, Inc. 2010 Equity Incentive Plan. These options have exercise prices ranging from \$0.11 to \$0.17. On April 11, 2014, the closing date of the Merger, we issued stock options to purchase up to 691,548 shares at an exercise price of \$1.00 per share.

### **Option Substitution**

Pursuant to the terms of the Merger Agreement, each outstanding option to purchase shares of common stock of JB Therapeutics, Inc. under the JB Therapeutics, Inc. 2010 Equity Incentive Plan was substituted for an option to purchase shares of our Company's common stock under the 2014 Plan, with the number and exercise price of the substituted options determined by applying an exchange ratio. Except for these changes, each substituted option remains subject to substantially the same terms and conditions (including vesting terms) as in effect immediately prior to the Merger. The JB Therapeutics, Inc. 2010 Equity Incentive Plan was terminated upon the Merger, but if any provision of the terminated plan is necessary to give effect to or supply terms of the outstanding option awards, reference may be made to the plan in these limited circumstances.

## PRINCIPAL STOCKHOLDERS

The following table sets forth information regarding the beneficial ownership of our common stock as of the date of this prospectus by:

- each person known by us to be the beneficial owner of more than 5% of our outstanding shares of common stock;
- each of our named executive officers and directors; and
- all our executive officers and directors as a group.

Beneficial ownership is determined based on the rules and regulations of the SEC. A person has beneficial ownership of shares if such individual has the power to vote and/or dispose of shares. This power may be sole or shared and direct or indirect. In computing the number of shares beneficially owned by a person and the percentage ownership of that person, shares of common stock that are subject to options or warrants held by that person and exercisable as of, or within 60 days of, August 31, 2014 are counted as outstanding. These shares, however, are not counted as outstanding for the purposes of computing the percentage ownership of any other person(s). Except as may be indicated in the footnotes to this table and pursuant to applicable community property laws, each person named in the table has sole voting and dispositive power with respect to the shares of common stock set forth opposite that person's name. Unless indicated below, the address of each individual listed below is c/o Corbus Pharmaceuticals Holdings, Inc., 100 River Ridge Road, Norwood, MA 02062.

Applicable percentage ownership in the following table is based on 25,801,198 shares of common stock outstanding as of August 31, 2014. Beneficial ownership representing less than 1% is denoted with an asterisk (\*).

Name of Beneficial Owner	Number of Shares Beneficially Owned	Percentage of Shares Beneficially Owned
<i>Officers and Directors</i>		
Mark Tepper (1)	2,249,889	8.7%
Yuval Cohen (2)	15,089	*
Barbara White	0	—
Sean Moran (3)	0	—
Alan Holmer (4)	48,217	*
David Hochman (5)	672,500	2.6%
Renu Gupta (10)	12,500	*
Avery W. Catlin	0	—
All current directors and executive officers as a group	2,998,195	11.5%
<i>5% Stockholders</i>		
Sumner Burstein	3,825,547	14.8%
Knoll Capital Management (6)	2,750,000	10.3%
Lawrence Allen (7)	2,925,000	10.8%
Perceptive Advisors (8)	2,000,000	7.5%
Adam Stern (9)	1,400,000	5.4%

(1) Includes 150,899 shares of common stock issuable upon exercise of outstanding stock options exercisable within 60 days of August 31, 2014. Does not include 271,600 shares of common stock issuable upon exercise of outstanding options that are not exercisable within 60 days of August 31, 2014.

- (2) Includes 15,089 shares of common stock issuable upon exercise of outstanding stock options exercisable within 60 days of August 31, 2014. Does not include 528,112 shares of common stock issuable upon exercise of outstanding options that are not exercisable within 60 days of August 31, 2014.
- (3) Does not include 181,066 shares of common stock issuable upon exercise of outstanding stock options that are not exercisable within 60 days of August 31, 2014.
- (4) Includes 28,217 shares of common stock issuable upon exercise of outstanding stock options and warrants to purchase 10,000 shares of common stock.
- (5) Includes 140,000 shares of common stock and warrants to purchase 50,000 shares of common stock held by a family trust of which Mr. Hochman is a co-trustee and co-beneficiary and includes warrants to purchase 10,000 shares of common stock.
- (6) Includes 1,750,000 shares of common stock and warrants to purchase 1,000,000 shares of common stock, which are owned by Europa International, Inc., which is beneficially owned by Knoll Capital Management.
- (7) Includes (i) 225,000 shares of common stock and warrants to purchase 100,000 shares of common stock, which are registered in the name of Mr. Allen's individual retirement account, (ii) 100,000 shares of common stock and warrants to purchase 100,000 shares of common stock, which are owned by ACP Partners, LP, which is beneficially owned by Mr. Allen, (iii) 1,100,000 shares of common stock and warrants to purchase 1,100,000 shares of common stock, which are owned by ACP X, LP, which is beneficially owned by Mr. Allen, and (iv) 100,000 shares of common stock and warrants to purchase 100,000 shares of common stock, which are owned by LGA Investments Family Limited Partnership, which is beneficially owned by Mr. Allen.
- (8) Includes (i) 870,000 shares of common stock and warrants to purchase 870,000 shares of common stock, which are owned by Perceptive Life Sciences Master Fund, Ltd., which is beneficially owned by Perceptive Advisors, and (ii) 130,000 shares of common stock and warrants to purchase 130,000 shares of common stock, which are owned by Titan Perc, Ltd., which is beneficially owned by Perceptive Advisors.
- (9) Mr. Stern is an affiliate of the Placement Agent. Does not include up to 2,047,000 shares of common stock issuable upon exercise of Warrants issued to the Placement Agent. Mr. Stern disclaims ownership of such shares except to the extent of his pecuniary interest therein. Includes warrants to purchase 200,000 shares of common stock.
- (10) Includes 12,500 shares of common stock issuable upon exercise of outstanding stock options.

## CERTAIN RELATIONSHIPS AND RELATED PARTY TRANSACTIONS

Other than compensation arrangements for our named executive officers and directors, we describe below each transaction or series of similar transactions, since January 1, 2011, to which we were a party or will be a party, in which:

- the amounts involved exceeded or will exceed \$120,000; and
- any of our directors, executive officers or holders of more than 5% of our capital stock, or any member of the immediate family of the foregoing persons, had or will have a direct or indirect material interest.

Compensation arrangements for our named executive officers and directors are described in the section entitled “executive compensation.”

### **The Placement Agent and Related Parties**

In connection with the formation of Holdings in December 2013, certain affiliates of the Placement Agent and certain other parties not affiliated with us or the Placement Agent subscribed for an aggregate of 6,000,000 shares of common stock for which they paid an aggregate of \$120,000 (\$0.02 per share), including David Hochman, one of our directors who purchased 450,000 shares and whose family trust purchased 90,000 shares.

Following the Initial Closing of the 2014 Private Placement, the Placement Agent has a right to appoint one member of our board of directors for a two-year term (the “Aegis Nominee”). Upon the Initial Closing on April 11, 2014, David Hochman was appointed as the Aegis Nominee and his successor, if any, will be chosen by the Placement Agent, subject to the reasonable approval of the Company and the terms of the Voting Agreement described below.

### **Consulting Agreement with Orchestra Medical Ventures**

On March 21, 2014, Holdings entered into a consulting agreement with Orchestra Medical Ventures, LLC, or Orchestra, of which David Hochman is Managing Partner. The agreement became effective upon closing of the Merger and provides that Orchestra will render a variety of consulting and advisory services relating principally to identifying and evaluating strategic relationships, licensing opportunities, and business strategies. Orchestra is compensated at the rate of \$5,000 per month for twelve months, payable quarterly in advance.

### **Voting Agreement**

In connection with the Initial Closing, the stockholders of JB Therapeutics prior to the Merger, or the JBT Stockholders, and the stockholders of Holdings prior to the Merger and this Offering, or the Holdings Stockholders, entered into a Voting Agreement, or the Voting Agreement. Pursuant to the terms of the Voting Agreement, (i) the JBT Stockholders have the right to nominate three (3) members to our Board, (ii) the Holdings Stockholders shall vote in favor of the election of the JBT Stockholders’ Nominees and (iii) the Holdings Stockholders shall nominate and vote for one Aegis Nominee to our Board, and (iv) the JBT Stockholders shall vote in favor of the election of the Aegis Nominee. The Voting Agreement expires upon the earlier of (i) the approval of at least 75% of the JBT Stockholders and the Holdings Stockholders voting together based upon their ownership of our common stock, or (ii) the closing of a firm commitment underwritten public offering of shares of our common stock resulting in gross proceeds of at least \$20 million.

### **Merger Transaction**

On March 27, 2014, JB Therapeutics entered into the Merger Agreement with Merger Sub, a wholly-owned subsidiary of Holdings. Pursuant to the terms of the Merger Agreement, as a condition of and contemporaneously with the closing of the Merger on April 11, 2014, Merger Sub merged with and into JB Therapeutics and JB Therapeutics became a wholly-owned subsidiary of Holdings. In connection with the Merger, JB Therapeutics changed its name to Corbus Pharmaceuticals, Inc.

While we believe that all of these agreements and arrangements are in the best interests of our Company, related parties of the Placement Agent may derive material benefits as the result of these transactions. In addition, related parties of the Placement Agent will have a continuing substantial interest in our Company and will derive substantial benefits from any success of our Company.

#### **Policies and Procedures for Related Party Transactions**

Prior to the effectiveness of the registration of which this prospectus forms a part, we plan to adopt a policy that our executive officers, directors, nominees for election as a director, beneficial owners of more than 5% of any class of our common stock, any members of the immediate family of any of the foregoing persons and any firms, corporations or other entities in which any of the foregoing persons is employed or is a partner or principal or in a similar position or in which such person has a 5% or greater beneficial ownership interest, which we refer to collectively as related parties, are not permitted to enter into a transaction with us without the prior consent of our board of directors acting through the audit committee or, in certain circumstances, the chairman of the audit committee. Any request for us to enter into a transaction with a related party, in which the amount involved exceeds \$100,000 and such related party would have a direct or indirect interest must first be presented to our audit committee, or in certain circumstances the chairman of our audit committee, for review, consideration and approval. In approving or rejecting any such proposal, our audit committee, or the chairman of our audit committee, is to consider the material facts of the transaction, including, but not limited to, whether the transaction is on terms no less favorable than terms generally available to an unaffiliated third party under the same or similar circumstances, the extent of the benefits to us, the availability of other sources of comparable products or services and the extent of the related party's interest in the transaction.

## DESCRIPTION OF SECURITIES

Our current certificate of incorporation, as amended, authorizes us to issue:

- 150,000,000 shares of common stock, par value \$0.0001 per share; and
- 10,000,000 shares of Preferred Stock, par value \$0.0001 per share, none of which have yet been designated.

As of June 30, 2014, there were 25,260,000 shares of common stock outstanding and no shares of preferred stock outstanding.

The following statements are summaries only of provisions of our authorized capital stock and are qualified in their entirety by our certificate of incorporation, as amended. You should review these documents for a description of the rights, restrictions and obligations relating to our capital stock. Copies of our certificate of incorporation may be obtained from the Company upon written request. For a description of our common stock, see “Description of Securities – Common Stock” below.

### Common stock

*Voting.* The holders of our common stock are entitled to one vote for each share held of record on all matters on which the holders are entitled to vote (or consent pursuant to written consent).

*Dividends.* The holders of our common stock are entitled to receive, ratably, dividends only if, when and as declared by our board of directors out of funds legally available therefor and after provision is made for each class of capital stock having preference over the common stock.

*Liquidation Rights.* In the event of our liquidation, dissolution or winding-up, the holders of our common stock are entitled to share, ratably, in all assets remaining available for distribution after payment of all liabilities and after provision is made for each class of capital stock having preference over the common stock.

*Conversion Rights.* The holders of our common stock have no conversion rights.

*Preemptive and Similar Rights.* The holders of our common stock have no preemptive or similar rights.

*Redemption/Put Rights.* There are no redemption or sinking fund provisions applicable to the common stock. All of the outstanding shares of our common stock are fully-paid and nonassessable.

*Transfer Restrictions.* Shares of our common stock are subject to transfer restrictions. See “Restrictions on the Transfer of Securities.”

### Preferred Stock

We are authorized to issue up to 10,000,000 shares of preferred stock, par value \$0.0001 per share, with such designations, rights, and preferences as may be determined from time to time by our board of directors. Accordingly, our board of directors is empowered, without stockholder approval, to issue preferred stock with dividend, liquidation, conversion, voting, or other rights that could adversely affect the voting power or other rights of the holders of our common stock. The issuance of preferred stock could have the effect of restricting dividends on our common stock, diluting the voting power of our common stock, impairing the liquidation rights of our common stock, or delaying or preventing a change in control of our company, all without further action by our stockholders. We have no shares of our preferred stock outstanding.



## Warrants

*Investor Warrants.* In connection with our 2014 Private Placement, we issued warrants to investors to purchase an aggregate 10,260,000 shares of our common stock. We refer to these warrants as the Investor Warrants. The Investor Warrants are exercisable for our common stock at an exercise price equal to \$1.00 per share (the "Exercise Price"). The Investor Warrants are exercisable immediately upon issuance and may be exercised for a period of five years from grant. The Investor Warrants may be exercised at any time in whole or in part at the applicable exercise price until expiration of the Investor Warrants. No fractional shares will be issued upon the exercise of the Investor Warrants.

*Merger Warrants.* In connection with the Merger, we issued warrants to purchase 917,612 shares of our common stock at an exercise price of \$1.00 per share to holders of JB Therapeutics Series A Preferred Stock. The Merger Warrants substantially similar terms as the Investor Warrants.

*Replacement Warrants.* In connection with the Merger, we issued warrants to purchase 27,839 shares of our common stock at an exercise price of \$0.60 per share to the existing holders of warrants in JB Therapeutics. The Replacement Warrants are subject to substantially similar terms as the Investor Warrants. We also issued warrants, or the Additional Replacement Warrants, to purchase 350,000 shares of our common stock, with an exercise price of \$0.66, to replace previously held warrants to purchase common stock of JB Therapeutics. The Additional Replacement Warrants are substantially similar to the Investor Warrants except that they include cashless exercise provisions and are not subject to redemption by us.

*Placement Agent Warrants.* In connection with completion of the 2014 Private Placement, we issued Aegis Capital warrants for 2,047,000 shares of our common stock at an exercise price of \$1.00 to the Placement Agent as partial compensation. These warrants have a five year term and provide cashless exercise.

## Registration Rights

In connection with the 2014 Private Placement, we entered into a registration rights agreement with the private placement investors, the placement agent and the holders of our outstanding warrants. We were required to file with the SEC no later than July 29, 2014 (the "Filing Deadline"), a registration statement covering the resale of the shares of common stock and the shares of common stock underlying the warrants, issued in the 2014 Private Placement, as well as the shares of common stock underlying the formation warrants, the merger warrants, the replacement warrants, the additional replacement warrants and the private placement warrants. We are also required to use commercially reasonable efforts to have the registration statement declared effective within one hundred and fifty (150) days after the registration statement is filed, or the Effectiveness Deadline, and to keep the registration statement continuously effective under the Securities Act of 1933, as amended, or the Securities Act, until the earlier of the date when all the registrable securities covered by the registration statement have been sold or such time as all of the registrable securities covered by the registration statement can be sold under Rule 144 without any volume limitations.

If this registration statement is not declared effective on or before the Effectiveness Deadline, we will be required to pay to each holder of registrable securities purchased in the 2014 Private Placement an amount in cash equal to one-half of one percent (0.5%) of such holder's investment amount on every thirty (30) day anniversary of such Effectiveness Deadline until such failure is cured. The payment amount shall be prorated for partial thirty (30) day periods. The maximum aggregate amount of payments to be made by us as the result of such failure, shall be an amount equal to 6% of each holder's investment amount. Notwithstanding the foregoing, no payments shall be owed with respect to any period during which all of the holder's registrable securities may be sold by such holder without restriction under Rule 144.

We shall keep the registration statement "evergreen" for one (1) year from the date it is declared effective by the SEC or until Rule 144 of the Securities Act is available to the holders of registrable securities purchased in the 2014 Private Placement with respect to all of their shares, whichever is earlier.

We will pay all costs and expenses incurred by us in complying with our obligations to file registration statements pursuant to the registration rights agreement, except that the selling holders will be responsible for their shares of the attorney's fees and expenses and any commissions or other compensation to selling agents and similar persons; provided, however, that, in any registration, each party will pay for its own underwriting discounts and commissions and transfer taxes.

### **Lock-Up Agreements**

Each of our directors and officers and the holders of substantially all of 5% or more of our common stock have agreed that they will not (a) offer, sell, contract to sell, grant any option to purchase, hypothecate, pledge or otherwise dispose of or (b) transfer title to any shares of common stock acquired prior to the 2014 Private Placement, which includes any shares of common stock acquired upon the exercise of any warrants acquired prior to the 2014 Private Placement, for a period beginning on April 11, 2014 and ending on the earlier of (i) nine months following the effective date of the registration statement of which this prospectus is a part or (ii) twelve months from May 30, 2014, without the prior written consent of both the Company and Aegis Capital Corp.

From and after the effective date of the registration statement of which this prospectus forms a part, or the Effective Date, the investors in the 2014 Private Placement have agreed that they will not sell, offer, pledge, contract to sell, grant any option or contract to purchase, lend or otherwise transfer or encumber, directly or indirectly, any shares acquired in the private placement nor will they enter into any swap, hedging or other arrangement that transfers to another, in whole or in part, any of the economic consequences of ownership of any shares acquired in the private placement until the Release Date (defined below), provided that each investor may transfer up to one third of such shares held as of the date of this prospectus at any time on or after such date. The Release Date means the earlier of: six months from the date of this prospectus, or May 30, 2015 if the registration statement of which this prospectus forms a part is not declared effective by such date. Following the Release Date, the investors may sell the remaining registrable shares that they hold.

### **Transfer Agent and Registrar**

VStock Transfer, LLC, located at 18 Lafayette Place, Woodmere, NY 11598, is the transfer agent and registrar for our common stock.

### **Quotation of Securities**

We intend to have a broker-dealer file a Form 211 in order to have our common stock quoted on the OTC Bulletin Board and/or OTCQB. It is anticipated that our common stock will be quoted on the OTC Bulletin Board and/or OTCQB on or promptly after the date of this prospectus, provided, however, that is no assurance that our common stock will actually be approved and quoted on the OTC Bulletin Board or OTCQB.

### **Anti-Takeover Effect of Delaware Law, Certain Charter and Bylaw Provisions**

Our certificate of incorporation and bylaws contain provisions that could have the effect of discouraging potential acquisition proposals or tender offers or delaying or preventing a change of control of our company. These provisions are as follows:

- they provide that special meetings of stockholders may be called by the board of directors or at the request in writing by stockholders of record owning at least twenty (20%) percent of the issued and outstanding voting shares of common stock;
- they do not include a provision for cumulative voting in the election of directors. Under cumulative voting, a minority stockholder holding a sufficient number of shares may be able to ensure the election of one or more directors. The absence of cumulative voting may have the effect of limiting the ability of minority stockholders to effect changes in our board of directors; and

- they allow us to issue, without stockholder approval, up to 10,000,000 shares of preferred stock that could adversely affect the rights and powers of the holders of our common stock.

We are subject to the provisions of Section 203 of the General Corporation Law of the State of Delaware, an anti-takeover law. In general, Section 203 prohibits a publicly held Delaware corporation from engaging in a “business combination” with an “interested stockholder” for a period of three years after the date of the transaction in which the person became an interested stockholder, unless the business combination is approved in the following prescribed manner:

- prior to the time of the transaction, the board of directors of the corporation approved either the business combination or the transaction which resulted in the stockholder becoming an interested stockholder;
- upon completion of the transaction that resulted in the stockholder becoming an interested stockholder, the stockholder owned at least 85% of the voting stock of the corporation outstanding at the time the transaction commenced, excluding for purposes of determining the number of shares outstanding (1) shares owned by persons who are directors and also officers and (2) shares owned by employee stock plans in which employee participants do not have the right to determine confidentially whether shares held subject to the plan will be tendered in a tender or exchange offer; and
- on or subsequent to the time of the transaction, the business combination is approved by the board and authorized at an annual or special meeting of stockholders, and not by written consent, by the affirmative vote of at least 66 2/3% of the outstanding voting stock which is not owned by the interested stockholder.

Generally, for purposes of Section 203, a “business combination” includes a merger, asset or stock sale, or other transaction resulting in a financial benefit to the interested stockholder. 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, owned 15% or more of a corporation’s outstanding voting securities.

#### ***Stockholder Action by Written Consent***

Our certificate of incorporation, as amended, provides that any action required by law to be taken at any annual or special meeting of the stockholders or any action which may be taken at such a meeting may be taken without a meeting by written consent of the stockholders in lieu of a meeting.

#### ***Choice of Forum***

Our certificate of incorporation, as amended, provides that, unless we consent in writing to the selection of an alternative forum, the Court of Chancery of the State of Delaware will be the exclusive forum for any derivative action or proceeding brought on our behalf; any action asserting a breach of fiduciary duty; any action asserting a claim against us arising pursuant to the Delaware General Corporation Law, our certificate of incorporation, as amended, or our bylaws; or any action asserting a claim against us that is governed by the internal affairs doctrine.

## SELLING STOCKHOLDERS

The following table sets forth information as of the date of this prospectus, to our knowledge, about the beneficial ownership of our common stock by the selling stockholders both before and immediately after the 2014 Private Placement.

All of the selling stockholders received their securities in: (i) our formation and (ii) the 2014 Private Placement; in each case prior to the initial filing date of the registration statement of which this prospectus is a part. We believe that the selling stockholders have sole voting and investment power with respect to all of the shares of common stock beneficially owned by them unless otherwise indicated.

Certain of the selling stockholders and intermediaries, who are identified as broker-dealers in the footnotes to the selling stockholder table, through whom such securities are sold are deemed “underwriters” within the meaning of the Securities Act of 1933, as amended, with respect to the securities offered hereby, and any profits realized or commissions received may be deemed underwriting compensation. We believe that all securities purchased by broker-dealers or affiliates of broker-dealers were purchased by such persons and entities in the ordinary course of business and at the time of purchase, such purchasers did not have any agreements or understandings, directly or indirectly, with any person to distribute such securities.

The percent of beneficial ownership for the selling stockholders is based on 25,260,000 shares of common stock outstanding as of the date of this prospectus. Warrants to purchase shares of our common stock held by certain investors that are currently exercisable or exercisable within 60 days of the date of this prospectus are considered outstanding and beneficially owned by such investors for the purpose of computing the percentage ownership of their respective percentage ownership but are not treated as outstanding for the purpose of computing the percentage ownership of any other stockholder. Unless otherwise stated below, to our knowledge, none of the selling stockholders has had a material relationship with us other than as a stockholder at any time within the past three years or has ever been one of our officers or directors.

Pursuant to Rules 13d-3 and 13d-5 of the Exchange Act, beneficial ownership includes any shares of our common stock as to which a stockholder has sole or shared voting power or investment power, and also any shares of our common stock which the stockholder has the right to acquire within 60 days, including upon exercise of warrants to purchase shares of our common stock.

The shares of common stock being offered pursuant to this prospectus may be offered for sale from time to time during the period the registration statement of which this prospectus is a part remains effective, by or for the account of the selling stockholders. After the date of effectiveness, the selling stockholders may have sold or transferred, in transactions covered by this prospectus or in transactions exempt from the registration requirements of the Securities Act, some or all of their common stock.

Information about the selling stockholders may change over time. Any changed information will be set forth in an amendment to the registration statement or supplement to this prospectus, to the extent required by law.

Name of Selling Stockholder	Shares Beneficially Owned as of the date of this Prospectus		Shares Offered by this Prospectus	Shares Beneficially Owned After the Offering <sup>(1)</sup>	
	Number	Percent		Number	Percent
Europa International, Inc. <sup>(1)</sup>	2,750,000	10.89%	2,000,000	750,000	2.97%
ACP X, L.P. <sup>(2)</sup>	2,200,000	8.71%	2,200,000	-	-
Perceptive Life Sciences Master Fund, Ltd. <sup>(3)</sup>	1,740,000	6.89%	1,740,000	-	-
Lester Petracca	1,000,000	3.96%	1,000,000	-	-
George Karfunkel	750,000	2.97%	500,000	250,000	*
Bobcat Property Trust of Angel Fire, New Mexico <sup>(4)</sup>	700,000	2.77%	700,000	-	-
Keith Murphy	625,000	2.47%	500,000	125,000	*
Rexford Capital, LLC <sup>(5)</sup>	500,000	1.98%	500,000	-	-
Edward M. Dunn	500,000	1.98%	500,000	-	-
Dina Morrissey	500,000	1.98%	500,000	-	-

Name of Selling Stockholder	Shares Beneficially Owned as of the date of this Prospectus		Shares Offered by this Prospectus	Shares Beneficially Owned After the Offering <sup>(1)</sup>	
	Number	Percent		Number	Percent
David Schellhardt	500,000	1.98%	500,000	-	-
Ethan S. Burstein	499,701	1.98%	466,567	33,134	*
Derek J. Sroufe <sup>(6)</sup>	400,000	1.58%	100,000	300,000	1.19%
Anup Patel	348,511	1.38%	182,837	165,674	*
RBC Capital Markets LLC Cust. FBO					
Laurence G. Allen, IRA <sup>(7)</sup>	325,000	*	200,000	125,000	*
SJO Worldwide LLC <sup>(8)</sup>	300,000	1.19%	300,000	-	-
GJG Life Sciences LLC <sup>(9)</sup>	300,000	1.19%	300,000	-	-
Titan Perc, Ltd. <sup>(10)</sup>	260,000	1.03%	260,000	-	-
Haitham Elsheikh	250,000	*	250,000	-	-
Michael Rapoport <sup>(11)</sup>	250,000	*	250,000	-	-
Michael Garnick	250,000	*	250,000	-	-
Sharpe Clinical Services <sup>(12)</sup>	249,048	*	83,016	166,032	*
Diamond MGT Holdings, LLC <sup>(13)</sup>	248,511	*	82,837	165,674	*
ACP Partners Fund, L.P. <sup>(14)</sup>	200,000	*	200,000	-	-
LGA Investments Family Limited Partnership <sup>(15)</sup>	200,000	*	200,000	-	-
David M. & Patricia A. Kutz, JTWROS	200,000	*	200,000	-	-
D&R Partners, LLC <sup>(16)</sup>	200,000	*	200,000	-	-
Dominion Capital, LLC <sup>(17)</sup>	200,000	*	200,000	-	-
Hillside Ventures Investments SA <sup>(18)</sup>	200,000	*	200,000	-	-
Redwood Fund III, Ltd. <sup>(19)</sup>	200,000	*	200,000	-	-
Robert deRose & Susan deRose Family Trust 11/18/86 <sup>(20)</sup>	200,000	*	200,000	-	-
Moonlight Enterprises Ltd. <sup>(21)</sup>	200,000	*	200,000	-	-
Harbor View Ventures LLC <sup>(22)</sup>	200,000	*	200,000	-	-
Amnon Mandelbaum <sup>(23)</sup>	175,000	*	175,000	-	-
Floyd Roos Properties LLC DBP <sup>(24)</sup>	174,257	*	91,419	82,838	*
Terry Plasse	141,935	*	47,312	94,623	*
JKW Family LTD <sup>(25)</sup>	140,000	*	140,000	-	-
NLBDIT 2010 Enterprises LLC <sup>(26)</sup>	131,250	*	131,250	-	-
John B. & Judith Goodrich	124,257	*	41,419	82,838	*
Michael Gregoire	124,257	*	41,419	82,838	*
Stuart Wolpoff & Lee Rosner JTWROS	124,254	*	41,418	82,836	*
Equity Trust Company Cust. FBO Lawrence					
Mintzer IRA	112,130	*	70,710	41,420	*
Joseph Schump	100,000	*	100,000	-	-
Daniel S. Travelle	100,000	*	100,000	-	-
Vantage Retirement Plans, LLC Cust. FBO					
Laurence E. Lof, Roth IRA	100,000	*	100,000	-	-
Peter Sabo	100,000	*	100,000	-	-
Troy Taylor	100,000	*	100,000	-	-
Michael Rizzo	100,000	*	100,000	-	-

Name of Selling Stockholder	Shares Beneficially Owned as of the date of this Prospectus		Shares Offered by this Prospectus	Shares Beneficially Owned After the Offering <sup>(1)</sup>	
	Number	Percent		Number	Percent
John Burgraff	100,000	*	100,000	-	-
Robert F. Baltera Jr.	100,000	*	100,000	-	-
Jeffrey F. Schoenbaum Rev Trust U/A 03/04/96 <sup>(27)</sup>	100,000	*	100,000	-	-
Dilip & Bhavini Patel	100,000	*	100,000	-	-
Clayton Struve	100,000	*	100,000	-	-
Andrew Fisher & Melissa A. Fisher	100,000	*	100,000	-	-
Cavalry Fund I, LP <sup>(28)</sup>	100,000	*	100,000	-	-
Sandeep Shah	98,364	*	62,730	35,634	*
Mark Butler	91,593	*	30,531	61,062	*
Michael Mark	74,555	*	24,852	49,703	*
Steven Freifeld <sup>(29)</sup>	70,000	*	70,000	-	-
Marc R. Cote	67,278	*	42,426	24,852	*
Bhalchandra G. Parulkar	64,917	*	43,822	21,095	*
Amar V. Kapur	64,910	*	43,821	21,089	*
Lauer- Williams Family Trust <sup>(30)</sup>	64,115	*	21,372	42,743	*
Venture Law, Inc. Defined Pension Plan <sup>(31)</sup>	62,130	*	20,710	41,420	*
Richard Fedorowich	62,127	*	20,709	41,418	*
Karen Donovan	62,127	*	20,709	41,418	*
Jeff Arnold	62,127	*	20,709	41,418	*
Donald E. Bates	62,127	*	20,709	41,418	*
Fort Point Angels LLC <sup>(32)</sup>	60,000	*	60,000	-	-
Ari Sason	60,000	*	60,000	-	-
LRC 2011 Trust <sup>(33)</sup>	57,614	*	39,205	18,409	-
Carl M. Berke	57,246	*	19,082	38,164	*
Philip R. Morgan	52,411	*	20,746	31,665	*
Peter J. Aranow	52,400	*	20,742	31,658	*
Vincent Grillo	50,000	*	50,000	-	-
Robert L. Montgomery	50,000	*	50,000	-	-
Chris & Lauren Cates <sup>(34)</sup>	50,000	*	50,000	-	-
Joseph A. Di Vito, Jr. Personal Trust	50,000	*	50,000	-	-
Fred & Allison Wagner	50,000	*	50,000	-	-
Edwin C. Blitz <sup>(35)</sup>	50,000	*	50,000	-	-
Stephen M. Address	50,000	*	50,000	-	-
Tim Elmes, LLC <sup>(36)</sup>	50,000	*	50,000	-	-
Mitchell Sivertson <sup>(37)</sup>	50,000	*	50,000	-	-
Jack Springer	50,000	*	50,000	-	-
The Richard M. Spitalny Living Trust dated 11/11/13 <sup>(38)</sup>	50,000	*	50,000	-	-
Bruce Pedersen	50,000	*	50,000	-	-
Aaron Lehman	50,000	*	50,000	-	-
Balsam Capital Management <sup>(39)</sup>	50,000	*	50,000	-	-
Carlos & Tracy Garcia	50,000	*	50,000	-	-
Nicholas Alexander Revocable Trust <sup>(40)</sup>	50,000	*	50,000	-	-

Name of Selling Stockholder	Shares Beneficially Owned as of the date of this Prospectus		Shares Offered by this Prospectus	Shares Beneficially Owned After the Offering <sup>(1)</sup>	
	Number	Percent		Number	Percent
Wollheim Family Trust <sup>(41)</sup>	50,000	*	50,000	-	-
Andrew H. Kaufman	50,000	*	50,000	-	-
Peter W. Janssen <sup>(42)</sup>	50,000	*	50,000	-	-
Douglas P. Kaufman	50,000	*	50,000	-	-
John E. & Laura G. Knight <sup>(43)</sup>	50,000	*	50,000	-	-
Perry Tepper	50,000	*	50,000	-	-
Daniel J. Gilbert	50,000	*	50,000	-	-
Matthew D. MacLean & Regina M. MacLean <sup>(44)</sup>	50,000	*	50,000	-	-
Northlea Partners <sup>(45)</sup>	50,000	*	50,000	-	-
Douglas Jay Cohen	50,000	*	50,000	-	-
Itzhak & Galia Shenberg	50,000	*	50,000	-	-
Lantis Consultants Inc. <sup>(46)</sup>	50,000	*	50,000	-	-
Courtagen Angel Fund 1, LLC <sup>(47)</sup>	49,703	*	16,568	33,135	*
McKernan Family Partnership <sup>(48)</sup>	49,703	*	16,568	33,135	*
Sunrise Foundation Trust <sup>(49)</sup>	43,750	*	43,750	-	-
Allen Michel	41,217	*	13,739	27,478	*
Bruce A. Ferguson, IRA Raymond James & Assoc., Inc. CSDN	40,000	*	40,000	-	-
Clifford L. & Amy J. Caplan <sup>(50)</sup>	40,000	*	40,000	-	-
Dilip M. Jain & Keshav D. Pandey	40,000	*	40,000	-	-
Ari Zimran Consulting LTD <sup>(51)</sup>	40,000	*	40,000	-	-
Lisa Kirby-Gibbs	38,910	*	15,154	23,756	*
Howard Bilow	37,277	*	12,426	24,851	*
George Xixis	36,638	*	12,213	24,425	*
Rohit D. Vakil	34,912	*	13,820	21,092	*
Joel Kovacs	30,000	*	30,000	-	-
John & Gail Deviddio	30,000	*	30,000	-	-
Jayant G. & Bharati J. Phadke	30,000	*	30,000	-	-
Charles S. & Beth A. Hall <sup>(52)</sup>	30,000	*	30,000	-	-
Prasoon Chaturvedi	30,000	*	30,000	-	-
Neal Tepper	30,000	*	30,000	-	-
Gruh, LLC <sup>(53)</sup>	30,000	*	30,000	-	-
Michael Zimmerman	30,000	*	30,000	-	-
John M. Dacey	24,852	*	8,284	16,568	*
Andrew & Barbara J. Douglas	24,852	*	8,284	16,568	*
Berenson Ventures, LP <sup>(54)</sup>	24,852	*	8,284	16,568	*
Richard Anders	24,845	*	8,282	16,563	*
Jeffrey Tarrand	20,000	*	20,000	-	-
Jake Ayre	20,000	*	20,000	-	-
Ian Stern	20,000	*	20,000	-	-
Terence Oi & Patricia Meehan	20,000	*	20,000	-	-
Samuel R. Solis	20,000	*	20,000	-	-
George B. Abercrombie	20,000	*	20,000	-	-

Name of Selling Stockholder	Shares Beneficially Owned as of the date of this Prospectus		Shares Offered by this Prospectus	Shares Beneficially Owned After the Offering	
	Number	Percent		Number	Percent
Jacob Movtady	20,000	*	20,000	-	-
Alan F. Holmer	20,000	*	20,000	-	-
Total	23,630,663		20,245,451	3,385,212	

- (1) Fred Knoll is a natural person with voting and dispositive power over the shares held by Europa International, Inc.
- (2) Laurence G. Allen is a natural person with voting and dispositive power over the shares held by ACP Partners Fund, LP, ACP X, LP, and LGA Investments Family Limited Partnership. Mr. Allen is affiliated with a FINRA member broker-dealer.
- (3) James H. Mannix is a natural person with voting and dispositive power over the shares held by Perceptive Life Sciences Master Fund, Ltd.
- (4) Theresa O'Brien is a trustee with voting and dispositive power over the shares held by the BobCat Property Trust of Angel Fire, New Mexico.
- (5) Kimberly Langston is a natural person with voting and dispositive power over the shares held by Rexford Capital, LLC.
- (6) Mr. Sroufe is affiliated with a FINRA member broker-dealer.
- (7) Mr. Allen is affiliated with a FINRA member broker-dealer.
- (8) Jeremy Office is a natural person with voting and dispositive power over the shares held by SJO Worldwide LLC.
- (9) Jennifer Lorenzo is a natural person with voting and dispositive power over the shares held by GJG Life Sciences LLC.
- (10) Darren Ross is a natural person with voting and dispositive power over the shares held by Titan Perc, Ltd.
- (11) Mr. Rapoport is affiliated with a FINRA member broker-dealer.
- (12) David Thompson is a natural person with voting and dispositive power over the shares held by Sharp Clinical Services.
- (13) David Goldstein is a natural person with voting and dispositive power over the shares held by Diamond MGT Holdings, LLC.
- (14) Laurence G. Allen is a natural person with voting and dispositive power over the shares held by ACP Partners Fund, LP, ACP X, LP, and LGA Investments Family Limited Partnership. Mr. Allen is affiliated with a FINRA member broker-dealer.
- (15) Laurence G. Allen is a natural person with voting and dispositive power over the shares held by ACP Partners Fund, LP, ACP X, LP, and LGA Investments Family Limited Partnership. Mr. Allen is affiliated with a FINRA member broker-dealer.



- (16) Jeffrey Maller is a natural person with voting and dispositive power over the shares held by Dominion Capital LLC.
- (17) Mikhail Gurevich is a natural person with voting and dispositive power over the shares held by Dominion Capital LLC.
- (18) David Ishag is a natural person with voting and dispositive power over the shares held by Hillside Ventures Investments SA.
- (19) John DeNobile is a natural person with voting and dispositive power over the shares held by Redwood Fund III, Ltd.
- (20) Robert deRose is a trustee with voting and dispositive power over the shares held by Robert deRose & Susan deRose Family Trust 11/18/86.
- (21) Diego Lissi is a natural person with voting and dispositive power over the shares held by Moonlight Enterprises Ltd.
- (22) Donald Schaeffer and Richard Schaeffer are natural persons with voting and dispositive power over the shares held by Harbor View Ventures LLC.
- (23) Mr. Mandelbaum is an affiliate of a FINRA member broker-dealer.
- (24) Warren Roos is a natural person with voting and dispositive power over the shares held by Floyd Roos Properties LLC DBP.
- (25) Joshua Weiss is a natural person with voting and dispositive power over the shares held by JKW Family LTD.
- (26) Sam Masri is a natural person with voting and dispositive power over the shares held by NLBDIT 2010 Enterprises LLC. Mr. Masri is affiliated with a FINRA member broker-dealer.
- (27) Jeffry Scheonbaum is a trustee with voting and dispositive power over the shares held by the Jeffry F. Schoenbaum Revocable Trust U/A 03/04/96.
- (28) Thomas P. Walsh is a natural person with voting and dispositive power over the shares held by Cavalry Fund I, LP.
- (29) Mr. Friefeld is a FINRA member broker-dealer.
- (30) Michael Williams is a trustee with voting and dispositive power over the shares held by the Lauer-Williams Family Trust.
- (31) H. Kenneth Merritt and Sharon J. Merritt are co-trustees with voting and dispositive power over the shares held by the Venture Law Inc., Kenneth Merritt Defined Pension Plan.
- (32) Oleg Uritsky is a natural person with voting and dispositive power over the shares held by Fort Point Angels LLC.
- (33) Lee R. Chartock is a trustee with voting and dispositive power over the shares held by LRC 2011 Trust.
- (34) Mr. Cates is a FINRA member broker-dealer.
- (35) Mr. Blitz is a FINRA member.

- (36) Tim Elmes is a natural person with voting and dispositive power over the shares held by Tim Elmes, LLC.
- (37) Mr. Silvertson is affiliated with a FINRA member broker-dealer.
- (38) Richard M. Spitalny is a trustee with voting and dispositive power over the shares held by The Richard Spitalny Living Trust dated 11/11/13.
- (39) Arnold Balsam is a natural person with voting and dispositive power over the shares held by Balsam Capital Management.
- (40) Nicholas Alexander is a trustee with voting and dispositive power over the shares held by the Nicholas Alexander Revocable Trust.
- (41) Bryan Wollheim is a trustee with voting and dispositive power over the shares held by Wollheim Family Trust.
- (42) Mr. Janssen is a FINRA member broker-dealer.
- (43) Mr. Knight is indirectly affiliated with a FINRA member.
- (44) Mr. MacLean is a FINRA member.
- (45) John Abeles is a natural person with voting and dispositive power over the shares held by Northlea Partners.
- (46) Eliezer Tokman is a natural person with voting and dispositive power over the shares held by Lantis Consultants Inc.
- (47) Brendan McKernan is a natural person with voting and dispositive power over the shares held by Courtagen Angel Fund 1, LLC.
- (48) Brendan McKernan is a natural person with voting and dispositive power over the shares held by the McKernan Family Partnership.
- (49) Nathan Low is a natural person with voting and dispositive power over the shares held by Sunrise Foundation Trust. Mr. Low is affiliated with a FINRA member broker-dealer.
- (50) Mr. Caplan is affiliated with a FINRA member broker-dealer.
- (51) Ari Zimran is a natural person with voting and dispositive power over the shares held by Ari Zimran Consulting LTD.
- (52) Mr. Hall is affiliated with a FINRA member broker-dealer.
- (53) Nikita Shah is a natural person with voting and dispositive power over the shares held by Gruh, LLC.
- (54) Richard Berenson is a natural person with voting and dispositive power over the shares held by Berenson Ventures, LP.

## PLAN OF DISTRIBUTION

The selling stockholders, which as used herein includes donees, pledgees, transferees or other successors in-interest selling shares of common stock or interests in shares of common stock received after the date of this prospectus from a selling stockholder as a gift, pledge, partnership distribution or other transfer, may, from time to time, sell, transfer or otherwise dispose of any or all of their shares of common stock or interests in shares of common stock on any stock exchange, market or trading facility on which the shares are traded or in private transactions.

The selling security holders may sell some or all of their shares at a fixed price of \$1.00 per share until our shares are quoted on the OTC Bulletin Board and/or OTCQB Market and thereafter at prevailing market prices or privately negotiated prices. Prior to being quoted on the OTC Bulletin Board and/or OTCQB Market, stockholders may sell their shares in private transactions to other individuals.

Our common stock is not listed or traded on any public exchange, and we have not applied for listing or quotation on any exchange. We are seeking sponsorship for the quotation of our common stock on the OTC Bulletin Board and/or OTCQB Market. In order to be quoted on the OTC Bulletin Board and/or OTCQB Market, a market maker must file an application on our behalf in order to make a market for our common stock. There can be no assurance that a market maker will agree to file the necessary documents with FINRA, nor can there be any assurance that such an application for quotation will be approved. There is further no assurance that an active trading market for our shares will develop, or, if developed, that it will be sustained. In the absence of a trading market or an active trading market, investors may be unable to liquidate their investment.

The selling stockholders may use any one or more of the following methods when disposing of shares or interests therein:

- ordinary brokerage transactions and transactions in which the broker-dealer solicits purchasers;
- block trades in which the broker-dealer will attempt to sell the shares as agent, but may position and resell a portion of the block as principal to facilitate the transaction;
- purchases by a broker-dealer as principal and resale by the broker-dealer for its account;
- privately negotiated transactions;
- short sales;
- through the writing or settlement of options or other hedging transactions, whether through an options exchange or otherwise;
- broker-dealers may agree with the selling stockholders to sell a specified number of such shares at a stipulated price per share;
- a combination of any such methods of sale; and
- any other method permitted pursuant to applicable law.

The selling stockholders may, from time to time, pledge or grant a security interest in some or all of the shares of common stock owned by them and, if they default in the performance of their secured obligations, the pledgees or secured parties may offer and sell the shares of common stock, from time to time, under this prospectus, or under an amendment to this prospectus under Rule 424(b)(3) or other applicable provision of the Securities Act amending the list of selling stockholders to include the pledgee, transferee or other successors in interest as selling stockholders under this prospectus. The selling stockholders also may transfer the shares of common stock in other circumstances, in which case the transferees, pledgees or other successors in interest will be the selling beneficial owners for purposes of this prospectus; provided, however, that prior to any such transfer the following information (or such other information as may be required by the federal securities laws from time to time) with respect to each such selling beneficial owner must be added to the prospectus by way of a prospectus supplement or post-effective amendment, as appropriate: (1) the name of the selling beneficial owner; (2) any material relationship the selling beneficial owner has had within the past three years with us or any of our predecessors or affiliates; (3) the amount of securities of the class owned by such beneficial owner before the offering; (4) the amount to be offered for the beneficial owner's account; and (5) the amount and (if one percent or more) the percentage of the class to be owned by such beneficial owner after the offering is complete.

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

The aggregate proceeds to the selling stockholders from the sale of the common stock offered by them will be the purchase price of the common stock less discounts or commissions, if any. Each of the selling stockholders reserves the right to accept and, together with their agents from time to time, to reject, in whole or in part, any proposed purchase of common stock to be made directly or through agents. We will not receive any of the proceeds from this offering, provided, however, we will receive proceeds from the exercise of the warrants held by certain investors.

The selling stockholders also may resell all or a portion of the shares in open market transactions in reliance upon Rule 144 under the Securities Act, provided that they meet the criteria and conform to the requirements of that rule.

The selling stockholders and any underwriters, broker-dealers or agents that participate in the sale of the common stock or interests therein may be “underwriters” within the meaning of Section 2(11) of the Securities Act. Any discounts, commissions, concessions or profit they earn on any resale of the shares may be underwriting discounts and commissions under the Securities Act. Selling stockholders who are “underwriters” within the meaning of Section 2(11) of the Securities Act will be subject to the prospectus delivery requirements of the Securities Act.

To the extent required, the shares of our common stock to be sold, the names of the selling stockholders, the respective purchase prices and public offering prices, the names of any agents, dealer or underwriter, any applicable commissions or discounts with respect to a particular offer will be set forth in an accompanying prospectus supplement or, if appropriate, a post-effective amendment to the registration statement that includes this prospectus.

The maximum amount of compensation to be received by any FINRA member or independent broker-dealer for the sale of any securities registered under this prospectus will not be greater than 8.0% of the gross proceeds from the sale of such securities.

In order to comply with the securities laws of some states, if applicable, the common stock may be sold in these jurisdictions only through registered or licensed brokers or dealers. In addition, in some states the common stock may not be sold unless it has been registered or qualified for sale or an exemption from registration or qualification requirements is available and is complied with.

We have advised the selling stockholders that the anti-manipulation rules of Regulation M under the Exchange Act may apply to sales of shares in the market and to the activities of the selling stockholders and their affiliates. In addition, we will make copies of this prospectus (as it may be supplemented or amended from time to time) available to the selling stockholders for the purpose of satisfying the prospectus delivery requirements of the Securities Act. The selling stockholders may indemnify any broker-dealer that participates in transactions involving the sale of the shares against certain liabilities, including liabilities arising under the Securities Act.

## MARKET FOR COMMON EQUITY AND RELATED STOCKHOLDER MATTERS

### Market Information

There is no public trading market on which our common stock is traded. Among other matters, in order for our common stock to become OTCBB/OTCQB eligible, a FINRA-member broker/dealer must file a Form 211 with FINRA and commit to make a market in our securities once the Form 211 is approved by FINRA. As of the date of this prospectus, the Form 211 has not been filed with FINRA. There is no assurance that our common stock will be included on the OTCBB/OTCQB.

The shares of common stock registered hereby can be sold by selling stockholders at a fixed price of \$1.00 per share until our shares are quoted on the OTC Bulletin Board and/or OTCQB Market and thereafter at prevailing market prices or privately negotiated prices. We determined such fixed price based on the highest price at which shares of our common stock were sold in our 2014 Private Placement.

We can offer no assurance that an active public market in our shares will develop or be sustained. Future sales of substantial amounts of our shares in the public market could adversely affect market prices prevailing from time to time and could impair our ability to raise capital through the sale of our equity securities.

### Holders

As of the date of this prospectus, there are 169 record holders of our common stock.

## LEGAL MATTERS

The validity of the securities offered in this prospectus is being passed upon for us by Lowenstein Sandler LLP, New York, New York.

## EXPERTS

The balance sheets of JB Therapeutics, Inc., and the related statements of operations, preferred stock and stockholders' deficit, and cash flows for each of the years in the two-year period ended December 31, 2013, have been audited by EisnerAmper LLP, an independent registered public accounting firm, as stated in their report which is incorporated herein. Such financial statements have been incorporated herein in reliance on the report of such firm given upon their authority as experts in accounting and auditing.

## DISCLOSURE OF COMMISSION POSITION ON INDEMNIFICATION FOR SECURITIES ACT LIABILITIES

Our directors and officers are indemnified to the fullest extent permitted under Delaware law. We also maintain insurance which protects our officers and directors against any liabilities incurred in connection with their service in such a capacity.

Insofar as indemnification for liabilities arising under the Securities Act may be permitted to our directors, officers and controlling persons pursuant to the foregoing, or otherwise, we have been advised that in the opinion of the SEC 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 us of expenses incurred or paid by a director, officer or controlling person of ours 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, we will, unless in the opinion of our 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.

## WHERE YOU CAN FIND ADDITIONAL INFORMATION

We have filed with the SEC a registration statement on Form S-1 under the Securities Act, with respect to the common stock offered by this prospectus. This prospectus, which is part of the registration statement, omits certain information, exhibits, schedules and undertakings set forth in the registration statement. For further information pertaining to us and our common stock, reference is made to the registration statement and the exhibits and schedules to the registration statement. Statements contained in this prospectus as to the contents or provisions of any documents referred to in this prospectus are not necessarily complete, and in each instance where a copy of the document has been filed as an exhibit to the registration statement, reference is made to the exhibit for a more complete description of the matters involved.

You may read and copy all or any portion of the registration statement without charge at the office of the SEC at the Public Reference Room at Station Place, 100 F Street, N.E., Washington, D.C. 20549. Copies of the registration statement may be obtained from the SEC at prescribed rates from the Public Reference Section of the SEC at such address. In addition, registration statements and certain other filings made with the SEC electronically are publicly available through the SEC's web site at <http://www.sec.gov>. The registration statement, including all exhibits and amendments to the registration statement, has been filed electronically with the SEC.

Contemporaneously with the effectiveness of the registration statement of which this prospectus is a part, we will file a Registration Statement on Form 8-A and become subject to the information and periodic reporting requirements of the Exchange Act and, accordingly, will file annual reports containing financial statements audited by an independent public accounting firm, quarterly reports containing unaudited financial data, current reports, proxy statements and other information with the Securities and Exchange Commission. You will be able to inspect and copy such periodic reports, proxy statements and other information at the SEC's public reference room, and the web site of the SEC referred to above.

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**Corbus Pharmaceuticals Holdings, Inc.**  
**Condensed Consolidated Balance Sheets**

	<u>June 30,</u> <u>2014</u>	<u>December 31,</u> <u>2013</u>
	<u>(Unaudited)</u>	
<b>ASSETS</b>		
Current assets:		
Cash and cash equivalents	\$ 8,504,172	\$ 303,020
Prepaid expenses	22,707	2,500
Total current assets	<u>8,526,879</u>	<u>305,520</u>
Furniture and equipment, net	<u>7,829</u>	<u>-</u>
Total assets	<u>\$ 8,534,708</u>	<u>\$ 305,520</u>
<b>LIABILITIES, PREFERRED STOCK AND STOCKHOLDERS' EQUITY</b>		
Current liabilities:		
Accounts payable	\$ 208,664	\$ 181,471
Accrued interest payable	99,535	77,140
Accrued expenses	137,566	63,488
Derivative warrant liability	-	19,932
Notes payable-current	<u>426,878</u>	<u>306,835</u>
Total current liabilities	872,643	648,866
Notes payable	<u>211,625</u>	<u>331,243</u>
Total liabilities	<u>1,084,268</u>	<u>980,109</u>
Commitments and Contingencies		
Series A Preferred Stock, \$0.0001 Par Value:		
Series A Convertible Preferred Stock, 2,483,690 shares designated, 1,835,212 shares issued and outstanding at December 31, 2013 (Liquidation preference of \$1,106,609 at December 31, 2013)	-	1,106,609
Series A Non- Convertible Preferred Stock, \$0.0001 Par Value 200,000 shares designated, issued and outstanding at December 31, 2013 (Liquidation preference of \$200,000 at December 31, 2013)	-	2,000
Stockholders' equity (deficit)		
Common stock, \$0.0001 par value; 150,000,000 shares authorized, 25,260,000 and 6,964,788 shares issued and outstanding at June 30, 2014 and December 31, 2013	2,526	696
Additional paid-in capital	9,955,091	102,696
Accumulated deficit	<u>(2,507,177)</u>	<u>(1,886,590)</u>
Total stockholders' equity (deficit)	<u>7,450,440</u>	<u>(1,783,198)</u>
Total liabilities, preferred stock and stockholders equity (deficit)	<u>\$ 8,534,708</u>	<u>\$ 305,520</u>

*The accompanying notes are an integral part of these Condensed Consolidated Financial Statements.*



**Corbus Pharmaceuticals Holdings, Inc.**  
**Condensed Consolidated Statements of Operations**  
(Unaudited)

	<u>Six Months Ended June 30,</u>		<u>Three Months Ended June 30,</u>	
	<u>2014</u>	<u>2013</u>	<u>2014</u>	<u>2013</u>
Operating expenses:				
Research and development	\$ 231,360	\$ 196,951	\$ 169,443	\$ 178,445
General and administrative	338,582	38,723	294,854	17,656
Total operating expenses	<u>569,942</u>	<u>235,674</u>	<u>464,297</u>	<u>196,101</u>
Operating loss	(569,942)	(235,674)	(464,297)	(196,101)
Other income (expense):				
Interest expense	(22,395)	(21,925)	(11,232)	(12,732)
Interest income	623	567	578	256
Change in fair value of warrant liability	(28,448)	-	(29,966)	-
Foreign currency exchange (loss) gain	(425)	4,112	309	(807)
Other expense, net	<u>(50,645)</u>	<u>(17,246)</u>	<u>(40,311)</u>	<u>(13,283)</u>
Net loss	<u>\$ (620,587)</u>	<u>\$ (252,920)</u>	<u>\$ (504,608)</u>	<u>\$ (209,384)</u>
Net loss per share, basic and diluted	<u>\$ (0.04)</u>	<u>\$ (0.04)</u>	<u>\$ (0.02)</u>	<u>\$ (0.03)</u>
Weighted average number of common shares outstanding, basic and diluted	<u>14,532,561</u>	<u>6,964,788</u>	<u>22,017,172</u>	<u>6,964,788</u>

*The accompanying notes are an integral part of these Condensed Consolidated Financial Statements.*

**Corbus Pharmaceuticals Holdings, Inc.**  
**Condensed Consolidated Statements of Preferred Stock and Stockholders' Equity**  
**(Unaudited)**

	Series A Preferred Stock		Non-Convertible		Common Stock		Additional Paid-in Capital	Deficit Accumulated During the Development Stage	Total Stockholders' Equity (Deficit)
	Convertible		Shares	Amount	Shares	Amount			
	Shares	Amount	Shares	Amount	Shares	Amount			
Balance at December 31, 2011	-	-	200,000	2,000	6,964,788	\$ 696	\$ 77,892	\$ (397,279)	\$ (318,691)
Conversion of notes payable and accrued interest to Series A preferred stock	260,655	157,329							
Conversion of convertible bridge notes payable to Series A preferred stock	185,990	97,451							
Beneficial conversion of bridge notes payable		14,811							
Fair value of warrants issued to holders of convertible bridge notes payable							1,005		1,005
Issuance of Series A convertible preferred stock, net of issuance costs of \$8,598	1,189,759	708,420							
Accretion of issuance costs		8,598					(8,598)		(8,598)
Stock compensation expense							26,256		26,256
Net loss								(886,961)	(886,961)
Balance at December 31, 2012	1,636,404	986,609	200,000	2,000	6,964,788	696	96,555	(1,284,240)	(1,186,989)
Issuance of Series A preferred stock	198,808	120,000							
Stock compensation expense							6,141		6,141
Net loss								(602,350)	(602,350)
Balance at December 31, 2013	1,835,212	1,106,609	200,000	2,000	6,964,788	696	102,696	(1,886,590)	(1,783,198)
Issuance of common stock at inception of Corbus					6,000,000	600	(600)		-
Conversion of Series A convertible preferred stock into common stock upon reverse acquisition	(1,835,212)	(1,106,609)	(200,000)	(2,000)	2,035,212	204	1,108,405		1,108,609
Issuance of common stock in private placement, net of issuance costs of \$1,589,176					10,260,000	1,026	8,669,798		8,670,824
Stock compensation expense							26,412		26,412
Reclassification of derivative warrant liability							48,380		48,380
Net loss								(620,587)	(620,587)
Balance at June 30, 2014	-	-	-	-	25,260,000	\$ 2,526	\$ 9,955,091	\$ (2,507,177)	\$ 7,450,440

*The accompanying notes are an integral part of these Condensed Consolidated Financial Statements.*

**Corbus Pharmaceuticals Holdings, Inc.**  
**Condensed Consolidated Statements of Cash Flows**  
(Unaudited)

	<b>Six Months Ended, June 30</b>	
	<b>2014</b>	<b>2013</b>
<b>Cash flows from operating activities:</b>		
Net loss	\$ (620,587)	\$ (252,920)
<b>Adjustments to reconcile net loss to net cash used in operating activities:</b>		
Share-based compensation expense	26,412	2,786
Depreciation	180	-
(Gain) loss on foreign exchange	425	(4,112)
Changes in fair value of derivative warrant liability	28,448	21,910
Non-cash interest expense	22,395	21,831
<b>Changes in operating assets and liabilities:</b>		
Decrease in prepaid expenses	(20,207)	-
Decrease in accounts payable	27,193	18,208
Increase (decrease) in accrued expenses	74,078	(26,125)
Net cash used in operating activities	<u>(461,663)</u>	<u>(218,422)</u>
<b>Cash flows from investing activities:</b>		
Purchases of furniture and equipment	(8,009)	-
	<u>(8,009)</u>	<u>-</u>
<b>Cash flows from financing activities:</b>		
Proceeds from issuance of notes payable	-	3,775
Proceeds from issuance on common stock	10,260,000	-
Issuance costs incurred common stock financings	(1,589,176)	-
Proceeds from issuance of Series A convertible preferred stock	-	25,000
Net cash provided by financing activities	<u>8,670,824</u>	<u>28,775</u>
Net increase (decrease) in cash and cash equivalents	8,201,152	(189,647)
Cash and cash equivalent at beginning of the period	303,020	542,483
Cash and cash equivalent at end of the period	<u>\$ 8,504,172</u>	<u>\$ 352,836</u>
<b>Supplemental disclosure of cash flow information and non cash transactions:</b>		
Conversion of Series A preferred stock into common stock	<u>\$ 1,108,609</u>	<u>\$ -</u>

*The accompanying notes are an integral part of these Condensed Consolidated Financial Statements.*

**Corbus Pharmaceuticals Holdings, Inc.**  
**Notes to Unaudited Condensed Consolidated Financial Statements**  
**Six Months Ended June 30, 2014 and 2013**

**1. NATURE OF OPERATIONS**

***Business***

Corbus Pharmaceuticals Inc. (formerly known as JB Therapeutics Inc.), was incorporated on April 24, 2009 under the laws of the State of Delaware. We are a clinical stage biopharmaceutical company, focused on the development and commercialization of therapeutics to treat rare life-threatening, rare inflammatory fibrotic diseases. Since its inception, we have devoted substantially all of our efforts to business planning, research and development, recruiting management and technical staff, acquiring operating assets and raising capital. Our business is subject to significant risks and uncertainties and we will be dependent on raising substantial additional capital before it becomes profitable and it may never achieve profitability.

**Reverse Acquisition**

On April 11, 2014, JB Therapeutics Inc. completed a reverse acquisition with Corbus Pharmaceuticals Holdings Inc. ("CPHI") and changed its name to Corbus Pharmaceuticals, Inc. ("Corbus"). Upon the consummation of the reverse acquisition, Corbus became a wholly owned subsidiary of CPHI which continues to operate the business of Corbus. As part of the reverse acquisition, CPHI issued 9,000,000 shares of common stock to holders of Corbus common and preferred stock in exchange for a total of 5,964,649 common shares outstanding on an as converted basis. In addition, the holders of warrants to purchase common stock of Corbus received warrants, or the Replacement Warrants, to purchase 27,839 shares of CPHI common stock with an exercise price of \$0.60. The holders of warrants to purchase common stock of Corbus received warrants, or the Additional Replacement Warrants, to purchase 350,000 shares of CPHI common stock with an exercise price of \$0.66. In addition, holders of Corbus Series A preferred stock received warrants to purchase 917,612 shares of common stock of CPHI. Finally, holders of outstanding options of Corbus received, in substitution for such options, options to purchase an aggregate of 905,334 shares of CPHI common stock with exercise prices ranging from \$0.11 to \$0.17 per share. All share and per share amounts presented in these consolidated financial statements for the six months ended June 30, 2014 and 2013 and the accompanying financial statements for the years ended December 31, 2013 and 2012 have been retroactively restated to reflect the 1.5089 exchange ratio of Corbus shares for CPHI shares in the reverse acquisition. In connection with CPHI formation in December 2013, CPHI sold an aggregate of 6,000,000 shares of common stock for an aggregate of \$120,000 (\$0.02 per share). Immediately prior to the reverse acquisition, CPHI had 6,000,000 shares outstanding.

The reverse acquisition was accounted for as a recapitalization since the formation of CPHI was formed solely to effect the reverse acquisition and a private placement of equity and CPHI had no prior operations or net monetary assets. Thus, Corbus is deemed to be the accounting acquirer and successor entity and the historical financial statements are those of Corbus as the accounting acquirer. Following the reverse acquisition, the management of Corbus became the management of CPHI. At the date of the reverse acquisition, the 6,000,000 outstanding shares of CPHI are reflected as an issuance of common stock to the prior holders of CPHI. CPHI had no net monetary assets as of the reverse acquisition so the issuance was recorded as a reclassification between additional paid-in-capital and par value of common stock. On April 11, 2014 and in three subsequent closings, CPHI completed a private placement of equity, raising net proceeds of approximately \$8,671,000 (Note 7).

**Corbus Pharmaceuticals Holdings, Inc.**  
**Notes to Unaudited Condensed Consolidated Financial Statements**  
**Six Months Ended June 30, 2014 and 2013**

**2. SIGNIFICANT ACCOUNTING POLICIES**

**Basis of Presentation**

The condensed consolidated financial statements are prepared in conformity with accounting principles generally accepted in the United States ("GAAP") for interim financial information. Certain information and footnotes normally included in financial statements prepared in accordance with GAAP have been condensed or omitted pursuant to the rules and regulations of the Securities and Exchange Commission.

**Unaudited Interim Financial Information**

The accompanying condensed consolidated balance sheet as of June 30, 2014, condensed consolidated statements of operations for the three and six months ended June 30, 2014 and the condensed consolidated statements of cash flows for the six months ended June 30, 2014 and 2013 are unaudited. The interim unaudited condensed consolidated financial statements have been prepared on the same basis as the annual audited consolidated financial statements and, in the opinion of management, reflect all adjustments, which include only normal recurring adjustments, necessary for the fair statement of the Company's financial position as of June 30, 2014 and the results of its operations, and its cash flows for the six months ended June 30, 2014 and 2013. The financial data and other information disclosed in these notes related to the six months ended June 30, 2014 and 2013 are unaudited. The results for the six months ended June 30, 2014 are not necessarily indicative of results to be expected for the year ending December 31, 2014, any other interim periods, or any future year or period.

**Significant Accounting Policies**

The Company's significant accounting policies are disclosed in the audited consolidated financial statements for the year ended December 31, 2013 included elsewhere in this prospectus (the "2013 Financial Statements"). Since the date of the 2013 Financial Statements, there have been no changes to the Company's significant accounting policies.

**Recent Accounting Pronouncements**

In June 2014, the Financial Accounting Standards Board ("FASB") issued Accounting Standards Update 2014-10 – *Development Stage Entities (Topic 915): Elimination of Certain Financial Reporting Requirements, Including an Amendment to Variable Interest Entities Guidance in Topic 810, Consolidation* ("ASU 2014-10"). The amendments in this update remove the definition of a development stage entity from the Master Glossary of the Accounting Standards Codification. In addition, the amendments eliminate the requirements for development stage entities to (1) present inception-to-date information in the statements of income, cash flows, and shareholder equity, (2) label the financial statements as those of a development stage entity, (3) disclose a description of the development stage activities in which the entity is engaged, and (4) disclose in the first year in which the entity is no longer a development stage entity that in prior years it had been in the development stage. For public business entities, those amendments are effective for annual reporting periods beginning after December 15, 2014, and interim periods therein. For other entities, the amendments are effective for annual reporting periods beginning after December 15, 2014, and interim reporting periods beginning after December 15, 2015. Early application of each of the amendments is permitted for any annual reporting period or interim period for which the entity's financial statements have not yet been issued (public business entities) or made available for issuance (other entities). Upon adoption, entities will no longer present or disclose any information required by Topic 915. The Company has adopted ASU 2014-10 effective for financial periods commencing on January 1, 2014 since the financial reports for these periods were prepared after this pronouncement became effective.

**Corbus Pharmaceuticals Holdings, Inc.**  
**Notes to Unaudited Condensed Financial Statements (Continued)**

**SIGNIFICANT ACCOUNTING POLICIES (continued)**

**Net Loss Per Share of Common Stock**

The following table sets forth the computation of basic and diluted earnings per share for the three and six months ended June 30, 2014 and 2013:

	<u>Three Months Ended June 30,</u>	
	<u>2014</u>	<u>2013</u>
Basic and diluted net loss per share of common stock:		
Net loss	\$ (504,608)	\$ (209,384)
Net loss applicable to common stockholders	<u>(504,608)</u>	<u>(209,384)</u>
Weighted average shares of common stock outstanding	<u>22,017,172</u>	<u>6,964,788</u>
Net loss per share of common stock-basic and diluted	<u>\$ (0.02)</u>	<u>\$ (0.03)</u>
	<u>Six Months Ended June 30,</u>	
	<u>2014</u>	<u>2013</u>
Basic and diluted net loss per share of common stock:		
Net loss	\$ (620,587)	\$ (252,920)
Net loss applicable to common stockholders	<u>(620,587)</u>	<u>(252,920)</u>
Weighted average shares of common stock outstanding	<u>14,532,561</u>	<u>6,964,788</u>
Net loss per share of common stock-basic and diluted	<u>\$ (0.04)</u>	<u>\$ (0.04)</u>

The following potentially dilutive securities outstanding at June 30, 2014 and 2013 have been excluded from the computation of diluted weighted average shares outstanding as they would be antidilutive:

	<u>June 30,</u>	
	<u>2014</u>	<u>2013</u>
Preferred stock	-	1,646,157
Warrants	13,602,451	329,617
Stock options	<u>1,596,882</u>	<u>528,154</u>
	<u>15,199,333</u>	<u>2,503,928</u>

**Corbus Pharmaceuticals Holdings, Inc.**  
**Notes to Unaudited Condensed Financial Statements (Continued)**

**3. FAIR VALUE OF ASSETS AND LIABILITIES**

The Company groups its assets and liabilities generally measured at fair value in three levels, based on the markets in which the assets and liabilities are traded and the reliability of the assumptions used to determine fair value.

Level 1 – Valuation is based on quoted prices in active markets for identical assets or liabilities. Level 1 assets and liabilities generally include debt and equity securities that are traded in an active exchange market. Valuations are obtained from readily available pricing sources for market transactions involving identical assets or liabilities.

Level 2 – Valuation is based on observable inputs other than Level 1 prices, such as quoted prices for similar assets or liabilities; quoted prices in markets that are not active; or other inputs that are observable or can be corroborated by observable market data for substantially the full term of the assets or liabilities.

Level 3 – Valuation is based on unobservable inputs that are supported by little or no market activity and that are significant to the fair value of the assets or liabilities. Level 3 assets and liabilities include financial instruments whose value is determined using pricing models, discounted cash flow methodologies, or similar techniques, as well as instruments for which the determination of fair value requires significant management judgment or estimation.

The Company uses valuation methods and assumptions that consider, among other factors, the fair value of the underlying stock, risk-free interest rate, volatility, expected life and dividend rates in estimating fair value for the warrants considered to be derivative instruments. The Company had no assets or liabilities classified as Level 1 or Level 2. Certain warrants issued for professional services (see Note 10) are classified as Level 3. The fair values of these instruments are determined using models based on market observable inputs and management judgment. There were no material re-measurements of fair value during the six months ended June 30, 2014 and 2013 with respect to financial assets and liabilities, other than those assets and liabilities that are measured at fair value on a recurring basis.

The Company had valued certain warrants as a warrant liability at December 31, 2013 and due to a modification in the terms of these warrants were reclassified at June 30, 2014 to Additional Paid in Capital (See Note 9). The warrant liability was re-measured at June 30, 2014 to prior reclassification using the Black-Scholes option pricing model based on the following assumptions:

	As of June 30, 2014
Risk free interest rate	1.25%
Expected dividend yield	0%
Contractual term	3.97
Expected volatility	66%

**Corbus Pharmaceuticals Holdings, Inc.**  
**Notes to Unaudited Condensed Consolidated Financial Statements (Continued)**

**FAIR VALUE OF ASSETS AND LIABILITIES (continued)**

Assets and liabilities measured at fair value on a recurring basis are summarized below:

	June 30, 2014			
	Level 1	Level 2	Level 3	Total
<b>Liabilities:</b>				
Derivative warrant liability at December 31, 2013	\$ -	\$ -	\$ 19,932	\$ 19,932
Change in fair value of the derivative warrant liability	-	-	28,448	28,448
Reclassification of derivative warrant liability	-	-	(48,380)	(48,380)
	\$ -	\$ -	\$ -	\$ -

	December 31, 2013			
	Level 1	Level 2	Level 3	Total
<b>Liabilities:</b>				
Derivative warrant liability	\$ -	\$ -	\$ 19,932	\$ 19,932

**4. NOTES PAYABLE**

The Company entered into notes payable agreements with vendors in lieu of making payments due on accounts payable to these vendors. Interest accrues on interest bearing notes payables at an annual rate of 7% with accrued interest and principal due at maturity. The outstanding balances on interest bearing notes was \$530,929 as of June 30, 2014. The Company has a note payable outstanding to a vendor with a balance due of \$107,574 as of June 30, 2014, which has no stated interest rate; however, the Company imputed interest cost at a rate of 7% for this note payable and the Company started accruing interest at a rate of 7% commencing on the maturity date.

As of June 30, 2014, the Company had notes payable totaling \$283,511 that were in default with maturities and has maturities due of \$23,750 in 2014, \$327,467 in 2015 and \$3,775 in 2016. Interest expense for notes payable for the three and six months ended June 30, 2014 and 2013 totaled \$11,232, \$23,395, \$12,735 and \$21,925, respectively.

Notes payable consisted of the following:

	June 30, 2014	December 31, 2013
Notes payable	\$ 638,503	\$ 638,078
Less: current portion	(426,878)	(306,835)
	\$ 211,625	\$ 331,243



**Corbus Pharmaceuticals Holdings, Inc.**  
**Notes to Unaudited Condensed Consolidated Financial Statements (Continued)**

**5. CONVERTIBLE NOTES PAYABLE**

In 2009, the Company raised \$85,000 from the sale of convertible bridge notes payable. Under the terms of the convertible bridge notes payable, interest accrued at a rate of 6% per annum and these notes were to convert into preferred stock upon a qualified financing at a discounted price per share, ranging from 10% to 20% of the price paid in the qualified financing. In addition, the investors received warrants with a five year term with the number of shares exercisable and exercise price to be determined upon the completion of a qualified financing, which occurred in March 2012 when the Series A convertible preferred stock financing was completed. In March 2012, the \$85,000 of convertible bridge notes payable and \$12,451 of accrued interest were converted into 185,990 shares of Series A convertible preferred stock. Upon completion of the qualified financing, the terms of the warrants became fixed and as a result, the investors received warrants to purchase 27,839 shares of common stock at an exercise price of \$0.60 per share.

The Company recorded \$14,811 of interest expense in March 2013 to reflect the beneficial conversion feature of the bridge notes payable which was attributable to the discounted price. The Company valued the warrants to purchase 27,839 shares of common stock at \$1,005 and charged this amount to interest expense in March 2013. The warrants were valued using the Black-Scholes option pricing model with the following assumptions:

	As of March 31, 2013
Risk free interest rate	0.46%
Expected dividend yield	0%
Contractual term	2.5
Expected volatility	88%

In 2010 and 2011, the Company issued redeemable convertible notes payable to two vendors totaling \$142,350 in lieu of making payments due on accounts payable to these vendors. These notes accrued interest at a rate of 7% per annum and were due at the earliest of a qualified financing or at maturity, which ranged from July 2013 to January 2014. In March 2012, upon the closing of the sales of Series A Convertible Preferred Stock, the \$142,350 of notes payable and \$14,979 of accrued interest were converted into 260,655 shares of Series A preferred stock.

**6. SERIES A PREFERRED STOCK**

In March 2012, the Company issued 1,189,759 shares of Series A Convertible Preferred Stock which raised net proceeds of \$708,420. In connection with this financing, the Company issued 260,655 shares upon the conversion of notes payable and 185,990 shares upon the conversion of convertible bridge notes payable (Note 5). During 2013, the Company issued an additional 198,808 shares of Series A Convertible Preferred Stock, which raised net proceeds of \$120,000.

In April 2014, in conjunction with the reverse acquisition and financing, 1,835,212 shares of Series A Convertible Preferred Stock and 200,000 shares of Series A Non-Convertible Preferred Stock were converted into 2,035,212 shares of common stock. Prior to the conversion, the Company had classified the Series A Convertible and Non-convertible Preferred Stock outside of permanent equity based upon the terms of the instruments described below.

**Series A Non-Convertible Preferred Stock**

*Dividends*

The holders of Series A Non-Convertible Preferred Stock were not entitled to dividends.

*Voting rights:*

The holders Series A Non-Convertible Preferred Stock had no voting rights.

**Corbus Pharmaceuticals Holdings, Inc.**  
**Notes to Unaudited Condensed Consolidated Financial Statements (Continued)**

**SERIES A PREFERRED STOCK (continued)**

*Liquidation Preference*

In the event of a liquidation before any payment was made to holders of the Company's common stock, par value \$0.001 per share ("Common Stock"), but after any required distribution was made to the holders of the Series A Convertible Stock, the holders of the Series A Non-Convertible Stock were entitled to be paid out of the assets an aggregate amount of \$200,000 or \$1.00 per share of Series A Non-Convertible Preferred Stock. In addition, in the event of a merger or consolidation with another corporation where the majority of the equity voting interests of the surviving entity are held by non-affiliate third parties, the transaction would have been considered a deemed liquidation. The Company had determined that this deemed liquidation feature provided for a potential redemption of the preferred stock, which was outside of its control. As a result, the Series A Non-Convertible Preferred Stock was classified in the mezzanine section of the Balance Sheet.

**Series A Convertible Preferred Stock**

*Dividends*

The holders of Series A Convertible Preferred Stock were entitled to receive annual dividends of 8% a year if and only when declared by the Board of Directors and the right to such dividend was non-cumulative.

*Conversion:*

Each share was convertible, at the option of the holders of Series A Convertible Preferred Stock, at any time after issuance, into such number of fully paid and non-assessable shares of Common Stock. The initial conversion price for each series of Convertible Redeemable Preferred Stock was equal to the original issuance price. The initial conversion price was however, subject to adjustment for certain dilutive issuances, splits and combinations. Each outstanding share automatically converted to Common Stock at the conversion rate then in effect upon an issuance of the Company's Common Stock pursuant to an underwritten public offering resulting in net proceeds to the Company of at least \$30,000,000 or the date specified by written consent or agreement of holders of at least 50% of the then outstanding shares.

*Voting rights:*

Holders of shares of Series A Convertible Preferred Stock had the right to one vote for each share of Common Stock into which such Preferred Stock could be converted.

*Liquidation preference:*

In the event of a liquidation before any payment was made to holders of Common Stock or holders of Series A Non-Convertible Preferred Stock, the holders of the Series A Non-Convertible Stock were entitled to be first paid out of the assets available for distribution. In addition, in the event of a merger or consolidation with another corporation where the majority of the equity voting interests of the surviving entity are held by non-affiliate third parties, the transaction was considered a deemed liquidation, upon approval of at least 60% of the outstanding Series A Convertible Preferred Stock. The Company had determined that this deemed liquidation feature provides for a potential redemption of the preferred stock, which is outside of its control. As a result, the Series A Convertible Preferred Stock had been classified in the mezzanine section of the Balance Sheet.

**Corbus Pharmaceuticals Holdings, Inc.**  
**Notes to Unaudited Condensed Consolidated Financial Statements (Continued)**

**7. COMMON STOCK**

The Company has authorized 150,000,000 shares of Common Stock, \$0.0001 par value per share, of which 25,260,000 shares and 6,964,788 shares were issued and outstanding as of June 30, 2014 and December 31, 2013.

On April 11, 2014, in conjunction with the reverse acquisition (See Note 1) and the 2014 Private Placement, the Company issued 6,000,000 shares of common stock to the former shareholders of CPHI and 1,835,212 shares of Series A Convertible Preferred Stock and 200,000 shares of Series A Non-Convertible Preferred Stock were converted into 2,035,212 shares of common stock.

**2014 Private Placement**

In four closings in April and May 2014, CPHI completed the 2014 Private Placement and sold an aggregate of 10,260,000 shares of common stock and warrants to purchase an aggregate of 10,260,000 shares of CPHI common stock with an exercise price of \$1.00 per share and a five year term. The aggregate gross proceeds of \$10,260,000 were allocated between the common stock and the warrants based on their relative fair values which amounted to \$5,349,000 for the common stock and \$4,911,000 for the warrants.

Net proceeds after deducting offering expenses was \$8,671,000. Aegis Capital Corp acted as the exclusive Placement Agent for the 2014 Private Placement. The Placement Agent received a cash fee of \$1,023,000 and a non-accountable expense allowance of \$308,000. In addition, the Placement Agent received warrants to purchase 2,047,000 shares of common stock with an exercise price of \$1.00 per share and a five year term. These warrants contain a cashless exercise feature and the fair value of the warrants was recorded as a stock issuance cost and net against the gross proceeds received.

In connection with the 2014 Private Placement, CPHI entered into a registration rights agreement with the private placement investors, the Placement Agent and holders of its outstanding warrants. CPHI was required to file a registration statement with the Securities and Exchange Commission ("SEC") no later than July 29, 2014 (the "Filing Deadline"), covering the resale of the shares of common stock and the shares of common stock underlying the warrants issued in the 2014 Private Placement, as well as the existing warrants. The Company filed a confidential registration statement on Form S-1 on July 2, 2014. The Company is also required to use commercially reasonable efforts to cause the registration statement to be declared effective by the SEC within one hundred and fifty (150) days after the registration statement is filed ("the Effectiveness Deadline") and to keep the registration statement effective for a period of one year, or until Rule 144 of the Securities Act is available to investors, whichever is earlier. The Company will be liable for monetary penalties equal to one-half of one percent (0.5%) of such holder's investment in the 2014 Private Placement on every thirty day anniversary of such Filing Deadline failure or Effectiveness Deadline failure until such failure is cured. The Company has not accrued for any monetary penalties as of June 30, 2014.

**Corbus Pharmaceuticals Holdings, Inc.**  
**Notes to Unaudited Condensed Consolidated Financial Statements (Continued)**

**8. STOCK OPTIONS**

In 2014, the Company adopted the Corbus 2014 Equity Incentive Plan (the "2014 Plan"). Pursuant to the 2014 Plan, the Company's Board of Directors may grant incentive and nonqualified stock options and restricted stock to employees, officers, directors, consultants and advisors. As of June 30, 2014, there were options to purchase an aggregate of 1,596,882 shares of Common Stock outstanding under the 2014 Plan and 5,253,452 shares available for future grants. Options issued under the 2014 Plan are exercisable for up to 10 years from the date of issuance.

*Share-based compensation*

For stock options issued and outstanding for the three and six months ended June 30, 2014 and 2013, the Company recorded non-cash, stock-based compensation expense of \$21,040, \$26,412, \$1,238 and \$2,786, respectively, net of forfeitures.

The fair value of each option award is estimated on the date of grant using the Black-Scholes option pricing model that uses the assumptions noted in the following table. Due to its limited operating history and limited number of sales of its Common Stock, the Company estimated its volatility in consideration of a number of factors, including the volatility of comparable public companies. The Company uses historical data, as well as subsequent events occurring prior to the issuance of the financial statements, to estimate option exercises and employee terminations within the valuation model. The expected term of options granted under the 2010 Plan, all of which qualify as "plain vanilla per SEC Staff Accounting Bulletin 1-7," is based on the average of the 6.25 years. For non-employee options, the expected term is the contractual term. The risk-free rate is based on the yield of a U.S. Treasury security with a term consistent with the option.

The assumptions used principally in determining the fair value of options granted were as follows:

	2014	2013
Risk free interest rate	1.94%	1.91%
Expected dividend yield	0%	0%
Contractual term	6.25	6.25
Expected volatility	91.59%	91.95%

A summary of option activity as of June 30, 2014 and changes for the six months ended June 30, 2014 are presented below:

Options	Shares	Weighted Average Exercise Price	Weighted Average Remaining Contractual Term in Years	Average Intrinsic Value
Outstanding at December 31, 2013	597,243	\$ 0.13		
Granted	999,639	\$ 0.74		
Outstanding at June 30, 2014	1,596,882	\$ 0.51	8.18	\$ 278,790
Vested at June 30, 2014	604,291	\$ 0.13	6.95	\$ 199,454

The weighted average grant-date fair value of options granted during the six months ended June 30, 2014 and 2013 was \$.74 per share. The total fair value of options that were vested as June 30, 2014 was \$79,207. As of June 30, 2014 there was approximately \$212,730 of total unrecognized compensation expense, related to non-vested share-based option compensation arrangements. The unrecognized compensation expense is estimated to be recognized over a period of 3.75 years at June 30, 2014.

**Corbus Pharmaceuticals Holdings, Inc.**  
**Notes to Unaudited Condensed Consolidated Financial Statements (Continued)**

**9. DERIVATIVE INSTRUMENTS**

The Company issued warrants in 2013 for the purchase of 301,778 shares of common stock, which had provisions that included anti-dilution protection, cashless exercise provisions and, under certain conditions, granted holders the right to request the Company repurchase the warrant. Accordingly, these warrants were considered derivative instruments and as of December 31, 2013, the fair values of \$19,932 were recorded respectively as a derivative warrant liability. On June 30, 2014, these warrant agreements were modified to eliminate the anti-dilution protection and accordingly these warrants were no longer considered a derivative liability and the fair value of \$48,380 shares was reclassified and charged as an addition to Additional-Paid in Capital.

To value the derivative warrant liability, the Company used the Black-Scholes option pricing model and assumptions that considered, among other factors, the fair value of the underlying stock, risk-free interest rate, volatility, expected life and dividend rates in estimating fair value for the warrants considered to be derivative instruments. The increase in the fair value of the derivative warrant liability at June 30, 2014 from December 31, 2013 was \$28,448 and was recognized in the Condensed Statement of Operations as a change in the fair value of a warrant liability.

**10. WARRANTS**

In connection with the 2014 Private Placement (See Note 7), the Company issued to investors warrants to purchase 10,260,000 shares of common stock with an exercise price of \$1.00 per share and a five year term. The Company also issued the Placement Agent warrants to purchase 2,047,000 shares of common stock with an exercise price of \$1.00 per share and a five year term. In addition, in connection with the reverse acquisition, (See Note 1) holders of Corbus Series A preferred stock received warrants to purchase 917,612 shares of common stock with an exercise price of \$1.00 per share and a five year term. All of these warrants were classified as equity instruments for accounting purposes.

In October 2009, the Company issued warrant agreements with a five year term to holders of convertible bridge notes. Under the terms of each warrant agreement, the exercise price and number of shares were determined upon the completion on a qualified financing, which occurred when the Series A convertible preferred stock financing closed in 2013 at which time the warrants could be exercised to purchase 27,839 shares of common stock at an exercise price of \$0.60 per share. The Company valued these warrants at \$1,005 and charged the cost to interest expense with an offset to additional paid-in capital.

In June 2013, the Company issued warrants to purchase 301,778 shares of Common Stock at an exercise price of \$0.66 per share in exchange for services provided. These warrants were valued at \$21,910 in June 2013 and expensed to general and administrative expenses with an offset to derivative liability (See Note 9). On June 30, 2014, the Company issued an additional 48,222 warrants to the warrant holder in exchange for a settlement of a claim and modification of the warrant terms and to eliminate the anti-dilution protection (Note 9).

**11. SUBSEQUENT EVENT**

In August 2014, the Company entered into a settlement agreement with a vendor. The Company owed the vendor a total of \$631,000 which included \$531,000 in notes payable, \$93,000 of accrued interest, and \$7,000 of accounts payable. Under the terms of the settlement agreement, the Company paid the vendor \$90,000 and issued 541,198 shares of common stock and a warrant to purchase 162,359 shares of common stock exercisable at \$1.00 per share with a five year term. The Company valued the common stock at \$341,000 and estimated the fair value of the warrant to be \$55,000 based on a Black Scholes valuation. For the three months ended September 30, 2014, the Company will record a gain on the settlement of \$145,000, which will be recorded as Other Income on the Statement of Operations.

## REPORT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM

The Board of Directors and Stockholders  
Corbus Pharmaceuticals Holdings, Inc.

We have audited the accompanying balance sheets of JB Therapeutics, Inc. (the "Company") as of December 31, 2013 and 2012, and the related statements of operations, preferred stock and stockholders' deficit, and cash flows for each of the years in the two-year period ended December 31, 2013. The 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. The Company is not required to have, nor were we engaged to perform, an audit of its internal control over financial reporting. Our audits 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 includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as 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 JB Therapeutics, Inc. as of December 31, 2013 and 2012, and the results of its operations and its cash flows for each of the years in the two-year period ended December 31, 2013, in conformity with accounting principles generally accepted in the United States of America.

/s/ EisnerAmper LLP

Iselin, New Jersey  
July 2, 2014, except for the second paragraph of Note 14,  
as to which the date is August 11, 2014

**JB Therapeutics, Inc.**

**Balance Sheets**

	<b>December 31,</b>	
	<b>2013</b>	<b>2012</b>
<b>ASSETS</b>		
Current assets:		
Cash and cash equivalents	\$ 303,020	\$ 542,483
Prepaid expenses	2,500	2,500
Total current assets	<u>305,520</u>	<u>544,983</u>
 Total assets	 <u>\$ 305,520</u>	 <u>\$ 544,983</u>
<b>LIABILITIES, PREFERRED STOCK AND STOCKHOLDERS' DEFICIT</b>		
Current liabilities:		
Accounts payable	\$ 181,471	\$ 49,622
Accrued interest payable	77,140	35,597
Accrued expenses	63,488	30,010
Derivative warrant liability	19,932	-
Notes payable-current	<u>306,835</u>	<u>161,548</u>
Total current liabilities	648,866	276,777
Notes payable	<u>331,243</u>	<u>466,586</u>
Total liabilities	<u>\$ 980,109</u>	<u>\$ 743,363</u>
 Commitments and Contingencies		
Series A Preferred Stock, \$0.0001 Par Value, 6,000,000 shares authorized		
Series A Convertible Preferred Stock, 2,483,690 shares designated, 1,835,212 and 1,636,404 shares issued and outstanding at December 31, 2013 and 2012 (Liquidation preference of \$1,106,609 at December 31, 2013)	\$ 1,106,609	\$ 986,609
Series A Non- Convertible Preferred Stock, \$0.0001 Par Value 200,000 shares designated, issued and outstanding at December 31, 2013 and 2012 (Liquidation preference of \$200,000 at December 31, 2013)	2,000	2,000
Stockholders' deficit		
Common stock, \$0.0001 par value; 150,000,000 shares authorized, 6,964,788 shares issued and outstanding at December 31, 2013 and 2012	696	696
Additional paid-in capital	102,696	96,555
Accumulated deficit	<u>(1,886,590)</u>	<u>(1,284,240)</u>
Total stockholders' deficit	<u>(1,783,198)</u>	<u>(1,186,989)</u>
Total liabilities, preferred stock and stockholders' deficit	<u>\$ 305,520</u>	<u>\$ 544,983</u>

*The accompanying notes are an integral part of these Financial Statements.*

**JB Therapeutics, Inc.**

**Statements of Operations**

	For the Years Ended December	
	2013	2012
Operating expenses:		
Research and development	\$ 210,670	\$ 535,092
General and administrative	<u>346,606</u>	<u>289,054</u>
Total operating expenses	<u>557,276</u>	<u>824,146</u>
Operating loss	(557,276)	(824,146)
Other income (expense):		
Interest expense	(45,114)	(61,485)
Interest income	754	1,741
Change in fair value of warrant liability	1,978	-
Foreign currency exchange (loss) gain	<u>(2,692)</u>	<u>(3,071)</u>
Other (expense), net	<u>(45,074)</u>	<u>(62,815)</u>
Net loss	<u>(602,350)</u>	<u>(886,961)</u>
Net loss per share, basic and diluted	<u>\$ (0.09)</u>	<u>\$ (0.13)</u>
Weighted average number of common shares outstanding, basic and diluted	<u>6,964,788</u>	<u>6,964,788</u>

*The accompanying notes are an integral part of these Financial Statements.*



**JB Therapeutics, Inc.**

**Statements of Preferred Stock and Stockholders' Deficit**

	Series A Preferred Stock		Non-Convertible		Common Stock		Additional Paid- in Capital	Deficit Accumulated During the Development Stage	Total Stockholders' Equity (Deficit)
	Convertible Shares	Amount	Shares	Amount	Shares	Amount			
Balance at December 31, 2011	-	-	200,000	2,000	6,964,788	\$ 696	\$ 77,892	\$ (397,279)	\$ (318,691)
Conversion of notes payable and accrued interest to Series A preferred stock	260,655	157,329							
Conversion of convertible bridge notes payable to Series A preferred stock	185,990	97,451							
Beneficial conversion of bridge notes payable		14,811							
Fair value of warrants issued to holders of convertible bridge notes payable							1,005		1,005
Issuance of Series A convertible preferred stock, net of issuance costs of \$8,598	1,189,759	708,420							
Accretion of issuance costs		8,598					(8,598)		(8,598)
Stock compensation expense							26,256		26,256
Net loss								(886,961)	(886,961)
Balance at December 31, 2012	1,636,404	986,609	200,000	2,000	6,964,788	696	96,555	(1,284,240)	(1,186,989)
Issuance of Series A preferred stock	198,808	120,000							
Stock compensation expense							6,141		6,141
Net loss								(602,350)	(602,350)
Balance at December 31, 2013	<u>1,835,212</u>	<u>1,106,609</u>	<u>200,000</u>	<u>2,000</u>	<u>6,964,788</u>	<u>\$ 696</u>	<u>\$ 102,696</u>	<u>\$ (1,886,590)</u>	<u>\$ (1,783,198)</u>

*The accompanying notes are an integral part of these Financial Statements.*

**JB Therapeutics, Inc.**  
**Statements of Cash Flows**

	<b>Year Ended December 31,</b>	
	<b>2013</b>	<b>2012</b>
<b>Cash flows from operating activities:</b>		
Net loss	\$ (602,350)	\$ (886,961)
<b>Adjustments to reconcile net loss to net cash used in operating activities:</b>		
Share-based compensation expense	6,141	26,256
Gain) loss on foreign exchange	2,692	3,071
Change in fair value of warrant liability	19,932	-
Non-cash interest expense	41,543	54,886
<b>Changes in operating assets and liabilities:</b>		
(Increase) decrease in prepaid expenses	-	(2,500)
Increase in accounts payable	131,849	5,509
Increase (decrease) in accrued expenses	33,478	30,010
Net cash used in operating activities	<u>(366,715)</u>	<u>(769,729)</u>
<b>Cash flows from financing activities:</b>		
Proceeds from issuance of notes payable	7,252	334,067
Proceeds from issuance of Series A convertible preferred stock	120,000	717,017
Issuance costs incurred for Series A preferred stock financing	-	(8,597)
Net cash provided by financing activities	<u>127,252</u>	<u>1,042,487</u>
Net increase (decrease) in cash and cash equivalents	(239,463)	272,758
Cash and cash equivalent at beginning of the period	542,483	269,725
Cash and cash equivalent at end of the period	<u>\$ 303,020</u>	<u>\$ 542,483</u>
<b>Supplemental disclosure of cash flow information and non cash transactions:</b>		
Conversion of convertible notes payable into Series A preferred stock	\$ -	\$ 227,350
Conversion of accrued interest on convertible notes payable into Series A preferred stock	\$ -	\$ 27,430
Beneficial conversion feature on convertible bridge notes payable	\$ -	\$ 14,811
Fair value of warrants issued with convertible bridge notes payable	\$ -	\$ 1,005
Fair value of warrants issued for services	<u>\$ 19,932</u>	<u>\$ -</u>

*The accompanying notes are an integral part of these Financial Statements.*

**JB Therapeutics, Inc.**  
**Notes to Financial Statements**  
**Years Ended December 31, 2013 and 2012**

**1. NATURE OF OPERATIONS NATURE OF OPERATIONS**

JB Therapeutics, Inc. (“JB Therapeutics”) was incorporated on April 24, 2009 under the laws of the State of Delaware. JB Therapeutics is a clinical stage biopharmaceutical company, focused on the development and commercialization of therapeutics to treat rare life-threatening, rare, inflammatory fibrotic diseases. Since its inception, JB Therapeutics has devoted substantially all of its efforts to business planning, research and development, recruiting management and technical staff, acquiring operating assets and raising capital. The Company’s business is subject to significant risks and uncertainties and the Company will be dependent on raising substantial additional capital before it becomes profitable and it may never achieve profitability.

**2. LIQUIDITY**

The accompanying financial statements have been prepared assuming the Company will continue as a going concern, which contemplates continuity of operations, realization of assets and the satisfaction of liabilities and commitments in the normal course of business. The Company has incurred recurring losses since inception and as of December 31, 2013, had an accumulated deficit of \$1,886,590. In addition, the Company has a net working capital deficiency of \$343,346 as of December 31, 2013. The Company anticipates operating losses to continue for the foreseeable future due to, among other things, costs related to research funding, development of its product candidates and its preclinical programs, strategic alliances and the development of its administrative organization.

On March 27, 2014, JB Therapeutics, Inc., (“JB Therapeutics”), entered into a merger agreement by and among JB Therapeutics, Corbus Pharmaceuticals Holdings, Inc. (“Holdings”) and Corbus Pharmaceuticals Acquisition, Inc. a Delaware corporation and a wholly owned subsidiary, or “Merger Sub” of Holdings. Pursuant to the terms of the merger agreement, as a condition of and contemporaneously with the initial closing of the 2014 Private Placement, or the Initial Closing, described below, Merger Sub merged with and into JB Therapeutics and JB Therapeutics became a wholly-owned subsidiary of us. In connection with the merger, or the Merger, stockholders of JB Therapeutics received an aggregate of 9,000,000 shares of our common stock and the preferred stockholders of JB Therapeutics also received warrants, or the Merger Warrants to purchase 917,612 shares of our common stock at an initial exercise price of \$1.00 per share. In addition, the holders of warrants to purchase common stock of JB Therapeutics prior to the Merger received warrants, or the Replacement Warrants, to purchase 377,839 shares of our common stock with an exercise price of ranging from \$0.60 to \$0.66. Finally, holders of outstanding options of Corbus received, in substitution for such options, options to purchase an aggregate of 905,334 shares of CPHI common stock with exercise prices ranging from \$0.11 to \$0.17 per share. Following the Merger, the management of Corbus Pharmaceuticals Inc. became the management of CPHI. Because the formation of CPHI was formed solely to effect the Merger and the private placement and CPHI had no operations or assets other than cash, the Company accounted for the Merger as a reverse acquisition and a recapitalization. Corbus Pharmaceuticals, Inc. became the successor entity and its historical financial statements became the continuing financial statements for CPHI. All share and per share amounts presented in these financial statements for the years ended December 31, 2013 and 2012 have been retroactively restated to reflect the 1.5089 exchange ratio of JBT shares for CPHI shares in the reverse acquisition.

We conducted a private placement offering in April and May 2014 with four closings with the final closing occurring on May 30, 2014. We issued an aggregate 10,260,000 shares of our common stock and warrants, or the Investor Warrants, to purchase 10,260,000 shares of our common stock at an exercise price of \$1.00. The Investor Warrants are exercisable for a period of five years from the date of grant. Gross proceeds totaled \$10,260,000 and net proceeds were \$8,671,000.

The Company will require substantial additional financing to fund its operations and to continue to execute its strategy.

**JB Therapeutics, Inc.**  
**Notes to Financial Statements (Continued)**

**3. SIGNIFICANT ACCOUNTING POLICIES**

A summary of the significant accounting policies followed by the Company in the preparation of the financial statements is as follows:

*Use of estimates*

The process of preparing financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of assets and liabilities at the date of financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates and changes in estimates may occur.

The Company has granted stock options at exercise prices not less than the fair value of its Common Stock as determined by the board of directors, with input from management. The board of directors determined the estimated fair value of the Common Stock based on a number of objective and subjective factors, including external market conditions affecting the biotechnology industry sector and the historic prices at which the Company sold shares of preferred stock.

*Cash and cash equivalents*

The Company considers only those investments which are highly liquid, readily convertible to cash, and that mature within three months from date of purchase to be cash equivalents. Marketable investments are those with original maturities in excess of three months. At December 31, 2013 and 2012, cash equivalents were comprised of money market funds. The Company had no marketable investments at December 31, 2013 and 2012.

Cash and cash equivalents consist of the following:

	December 31,	
	2013	2012
Cash	\$ 100,761	\$ 44,978
Money market fund	202,259	497,505
Total cash and cash equivalents	<u>\$ 303,020</u>	<u>\$ 542,483</u>

*Financial instruments*

The carrying amounts reported in the consolidated balance sheet for cash and cash equivalents and accounts payable approximate fair value based on the short-term nature of these instruments. The carrying value of loans payable approximate their fair value due to the market terms.

*Research and development expenses*

Costs incurred for research and development are expensed as incurred. The Company records payments received from research grants as a reduction in Research and Development on the Statement of Operations. For the years ended December 31, 2013 and 2012, the Company reduced Research and Development expense by \$205,000 and \$40,000, respectively for research grants.

*Concentrations of credit risk*

The Company has no significant off-balance-sheet concentration of credit risk such as foreign exchange contracts, option contracts or other hedging arrangements. The Company may from time to time have cash in banks in excess of FDIC insurance limits.

**JB Therapeutics, Inc.**  
**Notes to Financial Statements (Continued)**

**SIGNIFICANT ACCOUNTING POLICIES (continued)**

***Segment information***

Operating segments are identified as components of an enterprise about which separate discrete financial information is available for evaluation by the chief operating decision maker, or decision making group, in making decisions regarding resource allocation and assessing performance. To date, the Company has viewed its operations and manages its business as principally one operating segment, which is developing and commercializing therapeutics to treat rare life-threatening, rare inflammatory fibrotic diseases. As of December 31, 2013 and 2012, all of the Company's assets were located in the United States.

***Income taxes***

The Company accounts for income taxes under FASB ASC 740 ("ASC 740"). For federal and state income taxes, deferred tax assets and liabilities are recognized based upon temporary differences between the financial statement and the tax basis of assets and liabilities. Deferred income taxes are based upon prescribed rates and enacted laws applicable to periods in which differences are expected to reverse. A valuation allowance has been recorded because it is more likely than not that the tax benefit from the deferred tax assets will not be realized. Accordingly, the Company provides a valuation allowance equal to 100% of the tax benefit in order to eliminate the deferred tax assets amounts. Tax positions taken or expected to be taken in the course of preparing the Company's tax returns are required to be evaluated to determine whether the tax positions are "more-likely-than-not" of being sustained by the applicable tax authority.

Tax positions not deemed to meet a more-likely-than-not threshold would be recorded as a tax expense in the current year. There were no uncertain tax positions that require accrual or disclosure to the financial statements as of December 31, 2013 or 2012.

***Impairment of long-lived assets***

The Company continually monitors events and changes in circumstances that could indicate that carrying amounts of long-lived assets may not be recoverable. An impairment loss is recognized when expected cash flows are less than an asset's carrying value. Accordingly, when indicators of impairment are present, the Company evaluates the carrying value of such assets in relation to the operating performance and future undiscounted cash flows of the underlying assets. The Company's policy is to record an impairment loss when it is determined that the carrying value of the asset may not be recoverable. No impairment charges were recorded for the years ended December 31, 2013 and 2012.

***Share-based payments***

The Company recognizes compensation costs resulting from the issuance of stock-based awards to employees, non-employees and directors as an expense in the statement of operations over the service period based on a measurement of fair value for each stock-based award. The fair value of each option grant is estimated as of the date of grant using the Black-Scholes option-pricing model. The fair value is amortized as compensation cost on a straight-line basis over the requisite service period of the awards, which is generally the vesting period. Due to its limited operating history, limited number of sales of its Common Stock and limited history of its shares being publicly traded, the Company estimates its volatility in consideration of a number of factors including the volatility of comparable public companies.

**JB Therapeutics, Inc.**  
**Notes to Financial Statements (Continued)**

**SIGNIFICANT ACCOUNTING POLICIES (continued)**

***Derivative instruments***

The Company generally does not use derivative instruments to hedge exposures to cash-flow or market risks; however, certain warrants to purchase Common Stock that do not meet the requirements for classification as equity are classified as liabilities. In such instances, net-cash settlement is assumed for financial reporting purposes, even when the terms of the underlying contracts do not provide for a net-cash settlement. Such financial instruments are initially recorded at fair value with subsequent changes in fair value charged (credited) to operations in each reporting period. If these instruments subsequently meet the requirements for classification as equity, the Company reclassifies the fair value to equity.

***Net income (loss) per common share***

Basic net income (loss) per share of Common Stock has been computed by dividing net income (loss) by the weighted average number of shares outstanding during the period. Diluted net income per share of Common Stock has been computed by dividing net income by the weighted average number of shares outstanding plus the dilutive effect, if any, of outstanding stock options, warrants and convertible securities. Diluted net loss per share of Common Stock has been computed by dividing the net loss for the period by the weighted average number of shares of Common Stock outstanding during such period. In a net loss period, options, warrants and convertible securities are anti-dilutive and therefore excluded from diluted loss per share calculations.

**Recent Accounting Pronouncements**

In June 2014, the Financial Accounting Standards Board issued Accounting Standards Update 2014-10 – *Development Stage Entities (Topic 915): Elimination of Certain Financial Reporting Requirements, Including an Amendment to Variable Interest Entities Guidance in Topic 810, Consolidation* (“ASU 2014-10”). The amendments in this update remove the definition of a development stage entity from the Master Glossary of the Accounting Standards Codification. In addition, the amendments eliminate the requirements for development stage entities to (1) present inception-to-date information in the statements of income, cash flows, and shareholder equity, (2) label the financial statements as those of a development stage entity, (3) disclose a description of the development stage activities in which the entity is engaged, and (4) disclose in the first year in which the entity is no longer a development stage entity that in prior years it had been in the development stage. For public business entities, those amendments are effective for annual reporting periods beginning after December 15, 2014, and interim periods therein. For other entities, the amendments are effective for annual reporting periods beginning after December 15, 2014, and interim reporting periods beginning after December 15, 2015. Early application of each of the amendments is permitted for any annual reporting period or interim period for which the entity’s financial statements have not yet been issued (public business entities) or made available for issuance (other entities). Upon adoption, entities will no longer present or disclose any information required by Topic 915. The Company has adopted ASU 2014-10 effective for financial periods commencing on January 1, 2012 since the financial reports for these periods were prepared after this pronouncement became effective.

**JB Therapeutics, Inc.**  
**Notes to Financial Statements (Continued)**

**4. FAIR VALUE OF ASSETS AND LIABILITIES**

The Company groups its assets and liabilities generally measured at fair value in three levels, based on the markets in which the assets and liabilities are traded and the reliability of the assumptions used to determine fair value.

Level 1 – Valuation is based on quoted prices in active markets for identical assets or liabilities. Level 1 assets and liabilities generally include debt and equity securities that are traded in an active exchange market. Valuations are obtained from readily available pricing sources for market transactions involving identical assets or liabilities.

Level 2 – Valuation is based on observable inputs other than Level 1 prices, such as quoted prices for similar assets or liabilities; quoted prices in markets that are not active; or other inputs that are observable or can be corroborated by observable market data for substantially the full term of the assets or liabilities.

Level 3 – Valuation is based on unobservable inputs that are supported by little or no market activity and that are significant to the fair value of the assets or liabilities. Level 3 assets and liabilities include financial instruments whose value is determined using pricing models, discounted cash flow methodologies, or similar techniques, as well as instruments for which the determination of fair value requires significant management judgment or estimation.

The Company uses valuation methods and assumptions that consider among other factors the fair value of the underlying stock, risk-free interest rate, volatility, expected life and dividend rates in estimating fair value for the warrants considered to be derivative instruments. The Company had no assets or liabilities classified as Level 1 or Level 2. Certain warrants issued for professional services (see Note 11) are classified as Level 3. The fair values of these instruments are determined using models based on market observable inputs and management judgment.

There were no material re-measurements of fair value during the years ended December 31, 2013 and 2012 with respect to financial assets and liabilities, other than those assets and liabilities that are measured at fair value on a recurring basis. The Company has classified certain warrants as a liability and used the Black-Scholes option pricing model to estimate fair value at December 31, 2013 and used the contractual life according to the remaining terms of the warrants and the following assumptions:

	As of December 31, 2013
Risk free interest rate	1.48%
Expected dividend yield	0%
Contractual term	4.46
Expected volatility	88%

**JB Therapeutics, Inc.**  
**Notes to Financial Statements (Continued)**

**FAIR VALUE OF ASSETS AND LIABILITIES (continued)**

Assets and liabilities measured at fair value on a recurring basis are summarized below:

	December 31, 2013			
	Level 1	Level 2	Level 3	Total
<b>Liabilities:</b>				
Derivative warrant liability	\$ -	\$ -	\$ 19,932	\$ 19,932
	December 31, 2012			
	Level 1	Level 2	Level 3	Total
<b>Liabilities:</b>				
Derivative warrant liability	\$ -	\$ -	\$ -	\$ -

**5. NOTES PAYABLE**

The Company entered into notes payable agreements with vendors in lieu of making payments due on accounts payable to these vendors. Interest accrues on interest bearing notes payables at an annual rate of 7% with accrued interest and principal due at maturity. The outstanding balances on interest bearing notes was \$531,430 as of December 31, 2013. The Company has a note payable outstanding to a vendor with a balance due of \$107,148 as of December 31, 2013 which has no stated interest rate, however the Company imputed interest cost at a rate of 7% for this note payable and the Company started accruing interest at a rate of 7% commencing on the maturity date.

As of December 31, 2013, the Company had notes payable totaling \$167,310 that were in default with maturities due during 2013 and has maturities due of \$140,025 in 2014, \$327,968 in 2015 and \$3,775 in 2016. Interest expense for notes payable for the years ended December 31, 2013 and 2012 totaled 31,502 and \$27,115, respectively.

Notes payable consisted of the following:

	December 31,	
	2013	2012
Notes payable	\$ 638,078	\$ 628,134
Less: current portion	(306,835)	(161,548)
	\$ 331,243	\$ 466,586



**JB Therapeutics, Inc.**  
**Notes to Financial Statements (Continued)**

**6. CONVERTIBLE NOTES PAYABLE**

In 2009, the Company raised \$85,000 from the sale of convertible bridge notes payable. Under the terms of the convertible bridge notes payable, interest accrued at a rate of 6% per annum and the these notes were to convert into preferred stock upon a qualified financing at discounted price per share with the discounts ranging from 10% to 20% less than the price paid in the qualified financing. In addition the investors received warrants with a five year term with the number of shares exercisable and exercise price to be determined upon the completion of a qualified financing which occurred in March 2012 when the Series A convertible preferred stock financing was completed. In March 2012, the \$85,000 of convertible bridge notes payable and \$12,451 of accrued interest were converted into 185,990 shares of Series A convertible preferred stock. Upon completion of the qualified financing, the terms of the warrants became fixed and as a result, the investors received warrants to purchase 27,839 shares of common stock at an exercise price of \$0.60 per share. The Company recorded \$14,811 of interest expense in March 2013 to reflect the beneficial conversion feature of the bridge notes payable attributable to the discounted price. The Company valued the warrants to purchase 27,839 shares of common stock at \$1,005 and charged this amount to interest expense in March 2013. The warrants were valued using the Black-Scholes option pricing model with the following assumptions:

	As of December 31, 2013
Risk free interest rate	0.46%
Expected dividend yield	0%
Contractual term	2.5
Expected volatility	88%

In 2010 and 2011, the Company issued redeemable convertible notes payable to two vendors totaling \$142,350 in lieu of making payments due on accounts payable to these vendors. These notes accrued interest at a rate of 7% per annum and were due at the earliest of a qualified financing or at maturity which ranged from July 2013 to January 2014. In March 2012, upon the closing of the sales of Series A Convertible Preferred Stock, the \$142,350 of notes payable and \$14,979 of accrued interest were converted into 260,655 shares of Series A preferred stock.

**7. INCOME TAXES**

No provision or benefit for federal or state income taxes has been recorded, as the Company has incurred a net loss for all of the periods presented, and the Company has provided a full valuation allowance against its deferred tax assets.

At December 31, 2013, the Company had Federal and Massachusetts net operating loss carryforwards of approximately \$1,301,000 and \$1,317,000, respectively, of which federal carryforwards will expire in varying amounts beginning in 2029. Massachusetts net operating losses began to expire in 2014. Utilization of net operating losses may be subject to substantial annual limitations due to the "change in ownership" provisions of the Internal Revenue Code, and similar state provisions. The annual limitations may result in the expiration of net operating losses before utilization. The Company also had research and development tax credit carryforwards at December 31, 2013 of approximately \$52,000.

**JB Therapeutics, Inc.**  
**Notes to Financial Statements (Continued)**

**Income Taxes (continued)**

Significant components of the Company's net deferred tax asset are as follows:

	December 31,	
	2013	2012
NOL Carryforward	\$ 511,816	\$ 404,804
Tax credits	71,993	11,959
Stock based compensation	2,412	-
Other temporary differences	97,617	(1,833)
Subtotal	683,838	414,930
Valuation allowance	(683,838)	(414,930)
Net deferred tax asset	\$ -	\$ -

The Company has maintained a full valuation allowance against its deferred tax assets in all periods presented. A valuation allowance is required to be recorded when it is more likely than not that some portion or all of the net deferred tax assets will not be realized. Since the Company cannot be assured of generating taxable income and thereby realizing the net deferred tax assets, a full valuation allowance has been provided. The Company has no uncertain tax positions at December 31, 2013 and 2012 that would affect its effective tax rate. The Company does not anticipate a significant change in the amount of uncertain tax positions over the next twelve months. Since the Company is in a loss carryforward position, the Company is generally subject to US federal and state income tax examinations by tax authorities for all years for which a loss carryforward is available.

Income tax benefits computed using the federal statutory income tax rate differs from the Company's effective tax rate primarily due to the following:

	December 31,	
	2013	2012
Tax provision at statutory rate	34.0%	34.0%
State taxes, net of federal benefit	5.1%	6.4%
Permanent differences	-1.3%	-3.4%
Tax Credits	4.3%	0.0%
Other	6.6%	0.0%
Decrease in valuation reserve	-48.7%	-37.0%
	0.0%	0.0%

**JB Therapeutics, Inc.**  
**Notes to Financial Statements (Continued)**

**8. SERIES A PREFERRED STOCK**

In March 2012, the Company issued 1,189,759 shares of Series A Convertible Preferred Stock which raised net proceeds of \$708,420. In connection with this financing, the Company issued 260,655 shares upon the conversion of notes payable and 185,990 shares upon the conversion of convertible bridge notes payable (Note 6). During 2013, the Company issued an additional 198,808 shares of Series A Convertible Preferred Stock which raised net proceeds of \$120,000. The Company classifies the Series A convertible and non-convertible preferred stock outside of permanent equity based upon the terms of the instruments described below.

**Series A- Non-Convertible Preferred Stock**

*Dividends*

The holders of Series A Non-Convertible Preferred Stock are not entitled to dividends.

*Voting rights:*

The holders Series A Non-Convertible Preferred Stock of shall have no voting rights.

*Liquidation Preference*

In the event of a liquidation before any payment is made to holders of Common Stock but after any required distribution is made to the holders of the Series A Convertible Preferred Stock, the holders of the Series A Non-Convertible Preferred Stock shall be entitled to be paid out of the assets an aggregate amount of \$200,000 or \$1.00 per share of Series A Non-Convertible Preferred Stock. In addition, in the event of a merger or consolidation with another corporation where the majority of the equity voting interests of the surviving entity are held by non-affiliate third parties, the transaction will be considered a deemed liquidation. The Company has determined that this deemed liquidation feature provides for a potential redemption of the preferred stock, which is outside of their control. As a result, the Series A Non-Convertible Preferred Stock has been classified in the mezzanine section of the Balance Sheet.

**Series A-Convertible Preferred Stock**

*Dividends*

The holders of Series A Convertible Preferred Stock are entitled to receive annual dividends of 8% a year if and only when declared by the Board of Directors and the right to such dividend is non-cumulative.

*Conversion:*

Each share shall be convertible, at the option of the holders of Series A Convertible Preferred Stock, at any time after issuance, into such number of fully paid and non-assessable shares of Common Stock. The initial conversion price for each series of Convertible Redeemable Preferred Stock is equal to the original issuance price. The initial conversion price is however, subject to adjustment for certain dilutive issuances, splits and combinations. Each outstanding share shall automatically convert to Common Stock at the conversion rate then in effect upon an issuance of the Company's Common Stock pursuant to an underwritten public offering resulting in net proceeds to the Company of at least \$30,000,000 or the date specified by written consent or agreement of holders of at least 50% of the then outstanding shares.

*Voting rights:*

Holders of shares of Series A Convertible Preferred Stock shall have the right to one vote for each share of Common Stock into which such Preferred Stock could be converted.

**JB Therapeutics, Inc.**  
**Notes to Financial Statements (Continued)**

**SERIES A PREFERRED STOCK (continued)**

*Liquidation preference:*

In the event of a liquidation before any payment is made to holders of Common Stock or holders of Series A Non-Convertible Preferred Stock, the holders of the Series A Non-Convertible Stock shall be entitled to be first paid out of the assets available for distribution. In addition, in the event of a merger or consolidation with another corporation where the majority of the equity voting interests of the surviving entity are held by non-affiliate third parties, the transaction will be considered a deemed liquidation, upon approval of at least 60% of the outstanding Series A Convertible Preferred Stock. The Company has determined that this deemed liquidation feature provides for a potential redemption of the preferred stock, which is outside of their control. As a result, the Series A Convertible Preferred Stock has been classified in the mezzanine section of the Balance Sheet.

**9. COMMON STOCK**

The Company has authorized 150,000,000 shares of Common Stock, \$0.0001 par value per share, of which 6,964,788 shares were issued and outstanding as of December 31, 2013 and 2012.

**10. STOCK OPTIONS**

In 2010, the Company adopted the 2010 Equity Incentive Plan (the "2010 Plan"). Pursuant to the 2010 Plan, the Company's Board of Directors may grant incentive and nonqualified stock options to the Company's employees, officers, directors, consultants and advisors. As of December 31, 2013, there were options to purchase an aggregate of 597,243 shares of Common Stock issued and outstanding under the 2010 Plan and 308,091 shares available for future grants. Options issued under the 2010 Plan and the 2010 Plan are exercisable for up to 10 years from the date of issuance.

*Share-based compensation*

For stock options issued and outstanding for the years ended December 31, 2013 and 2012, the Company recorded non-cash, stock-based compensation expense of \$6,141 and \$26,256 respectively, net of forfeitures. The fair value of each option award is estimated on the date of grant using the Black-Scholes option pricing model that uses the assumptions noted in the following table. Due to its limited operating history and limited number of sales of its Common Stock, the Company estimated its volatility in consideration of a number of factors including the volatility of comparable public companies. The Company uses historical data, as well as subsequent events occurring prior to the issuance of the financial statements, to estimate option exercises and employee terminations within the valuation model. The expected term of options granted under the Plans, all of which qualify as "plain vanilla per SEC Staff Accounting Bulletin 1-7," is based on the average of the 6.25 years. For non-employee options, the expected term is the contractual term. The risk-free rate is based on the yield of a U.S. Treasury security with a term consistent with the option.

The assumptions used principally in determining the fair value of options granted were as follows:

	As of December 31,	
	2013	2012
Risk free interest rate	1.00-1.72%	.87-1.55%
Expected dividend yield	0%	0%
Contractual term	6.25	6.25
Expected volatility	92%	95%

**JB Therapeutics, Inc.**  
**Notes to Financial Statements (Continued)**

**STOCK OPTIONS (continued)**

A summary of option activity as of December 31, 2013 and 2012 and changes for the year then ended are presented below:

Options	Shares	Weighted Average Exercise Price	Weighted Average Remaining Contractual Term in Years	Average Intrinsic Value
Outstanding at December 31, 2011	565,834	\$ 0.11		
Granted	259,122	\$ 0.17		
Forfeited	(329,940)	\$ 0.13		
Outstanding at December 31, 2012	495,016	\$ 0.12		
Granted	105,622	\$ 0.17		
Forfeited	(3,395)	\$ 0.17		
Outstanding at December 31, 2013	597,243	\$ 0.13	7.18	\$ 23,140
Vested at December 31, 2013	<u>532,365</u>	<u>\$ 0.12</u>	<u>7.18</u>	<u>23,140</u>

The weighted average grant-date fair value of options granted during years ended December 31, 2013 and 2012 was \$ 0.15 per share. The total fair value of options that were vested as of ended December 31, 2013 and 2012, was \$23,140 and \$22,915, respectively. As of December 31, 2013, there was approximately \$7,771 of total unrecognized compensation expense, related to non-vested share-based option compensation arrangements. The unrecognized compensation expense is estimated to be recognized over a period of 1.41 years at December 31, 2013.

Listed below is a summary of stock options outstanding and exercisable at December 31, 2013:

Exercise Price	Options	Weighted Average Exercise Price	Weighted Average Remaining Life-Years
\$ 0.11	387,960	\$ 0.11	6.7
\$ 0.17	209,283	\$ 0.17	8.8
	<u>597,243</u>		

**JB Therapeutics, Inc.**  
**Notes to Financial Statements (Continued)**

**11. DERIVATIVE INSTRUMENTS**

The Company issued warrants in 2013 for the purchase of 301,778 shares of common stock which have provisions that include anti-dilution protection, cashless exercise provisions and, under certain conditions, grant holders the right to request the Company repurchase the warrant. Accordingly, these warrants are considered derivative instruments and the fair value of \$19,932 was recorded as a derivative warrant liability as of December 31, 2013.

To value the derivative warrant liability, the Company uses the Black-Scholes option pricing model and assumptions that consider among other factors the fair value of the underlying stock, risk-free interest rate, volatility, expected life and dividend rates in estimating fair value for the warrants considered to be derivative instruments. The fair value of the derivative warrant liability at December 31, 2013 was \$19,932 and is included on the Balance Sheet as a current liability. Changes in fair value of the derivative financial instruments will be recognized in the Statement of Operations as derivatives gains or losses. There was a derivative gain of \$1,978 recognized for the year ended December 31, 2013.

**12. WARRANTS**

In October 2009, the Company issued warrant agreements with a five year term to holders of convertible bridge notes. Under the terms of the warrant agreement, the exercise price and number of shares were determined upon the completion on a qualified financing which occurred when the Series A convertible preferred stock financing closed in 2013 at which time the warrants were exercisable to purchase 27,839 shares of common stock at an exercise price of \$0.60 per share. The Company valued these warrants at \$1,005 and charged the cost to interest expense with an offset to additional paid-in capital.

In June 2013, the Company issued warrants to purchase 301,778 shares of Common Stock at an exercise price of \$0.60 per share in exchange for services provided. These warrants were valued at \$21,910 in June 2013 and expensed to general and administrative expenses with an offset to derivative liability (See Note 11).

**14. COMMITMENTS**

The Company is obligated to make the following payments on notes payable in 2014 and future years:

2014	\$	307,335
2015		327,968
2016		<u>3,775</u>
	\$	<u>639,078</u>

**JB Therapeutics, Inc.**  
**Notes to Financial Statements (Continued)**

**14. SUBSEQUENT EVENTS**

**Merger**

On April 21, 2014 and contemporaneously with the initial closing of a private placement as described below the Company completed a merger agreement with Corbus Pharmaceuticals Holdings Inc. (“CPHI”). Upon the consummation of the merger, JB Therapeutics became a wholly owned subsidiary of Corbus Pharmaceuticals Holdings, Inc. and changed its name to Corbus Pharmaceuticals, Inc. which continues to operate the business of JB Therapeutics. Prior to the Merger, CPHI had 6,000,000 shares outstanding and, in connection with the Merger, all of the shares of common and preferred stock of JB Therapeutics were cancelled and exchanged for an aggregate of 9,000,000 shares of common stock of CPHI (approximately 56% of the issued and outstanding shares of common stock). In addition, the holders of warrants to purchase common stock of JB Therapeutics prior to the Merger received warrants, or the Replacement Warrants, to purchase 27,839 shares of our common stock with an exercise price of \$0.60. The holders of warrants to purchase common stock of JB Therapeutics received warrants, or the Additional Replacement Warrants, to purchase 350,000 shares of CPHI common stock with an exercise price of \$0.66. In addition, holders of Corbus Series A preferred stock received warrants to purchase 917,612 shares of common stock of CPHI. Finally, holders of outstanding options of Corbus received, in substitution for such options, options to purchase an aggregate of 905,334 shares of CPHI common stock with exercise prices ranging from \$0.11 to \$0.17 per share. Following the Merger, the management of Corbus Pharmaceuticals Inc. became the management of CPHI. Because the formation of CPHI was formed solely to effect the Merger and the private placement and CPHI had no operations or assets other than cash, the Company accounted for the Merger as a reverse acquisition and a recapitalization. Corbus Pharmaceuticals, Inc. became the successor entity and its historical financial statements became the continuing financial statements for CPHI. All share and per share amounts presented in these financial statements for the years ended December 31, 2013 and 2012 have been retroactively restated to reflect the 1.5089 exchange ratio of JBT shares for CPHI shares in the reverse acquisition.

**2014 Private Placement**

In April and May 2014, CPHI completed the 2014 Private Placement, under which it sold an aggregate of 10,260,000 shares of common stock and warrants to purchase an aggregate of 10,260,000 shares of CPHI common stock with an exercise price of \$1.00 per share and a five year term. The aggregate gross proceeds of \$10,260,000 were allocated between the common stock and the warrants based on their relative fair values which amounted to \$5,349,000 for the common stock and \$4,911,000 for the warrants.

Net proceeds after deducting offering expenses was \$8,671,000. Aegis Capital Corp acted as the exclusive Placement Agent for the 2014 Private Placement. The Placement Agent received a cash fee of \$1,023,000 and a non-accountable expense allowance of \$308,000. In addition, the Placement Agent received warrants to purchase 2,047,000 shares of common stock with an exercise price of \$1.00 per share and a five year term. These warrants contain a cashless exercise feature and the fair value of the warrants of was recorded as a stock issuance cost and net against the gross proceeds received.

In connection with the 2014 Private Placement, CPHI entered into a registration rights agreement with the private placement investors, the Placement Agent and holders of its outstanding warrants. CPHI is required to file a registration statement with the Securities and Exchange Commission (“SEC”) no later than July 29, 2014 (the “Filing Deadline”), covering the resale of the shares of common stock and the shares of common stock underlying the warrants issued in the 2014 Private Placement, as well as the existing warrants. The Company is also required to use commercially reasonable efforts to cause the registration statement to be declared effective by the SEC within one hundred and fifty (150) days after the registration statement is filed (“the Effectiveness Deadline”) and to keep the registration statement effective for a period of one year, or until Rule 144 of the Securities Act is available to investors, whichever is earlier.. The Company will be liable for monetary penalties equal to one-half of one percent (0.5%) of such holder’s investment in the Offering on every thirty day anniversary of such Filing Deadline failure or Effectiveness Deadline failure until such failure is cured.

**CORBUS PHARMACEUTICALS HOLDINGS, INC.**

**20,245,451 Shares  
Common Stock**

**PROSPECTUS**

**September [ ], 2014**



## PART II

### INFORMATION NOT REQUIRED IN PROSPECTUS

#### ITEM 13. OTHER EXPENSES OF ISSUANCE AND DISTRIBUTION

Our estimated expenses in connection with the issuance and distribution of the securities being registered are:

SEC Registration Fee	\$ 2,607.61
Accounting Fees and Expenses	\$ 30,000
Legal Fees and Expenses	\$ 80,000
Miscellaneous Fees and Expenses	\$ 12,392.39
Total	\$125,000.00

#### ITEM 14. INDEMNIFICATION OF OFFICERS AND DIRECTORS

Section 145 of the Delaware General Corporation Law (the "DGCL") provides, in general, that a corporation incorporated under the laws of the State of Delaware, as we are, may indemnify any person who was or is a party or is threatened to be made a party to any threatened, pending or completed action, suit or proceeding (other than a derivative action by or in the right of the corporation) by reason of the fact that such person is or was a director, officer, employee or agent of the corporation, or is or was serving at the request of the corporation as a director, officer, employee or agent of another enterprise, against expenses (including attorneys' fees), judgments, fines and amounts paid in settlement actually and reasonably incurred by such person in connection with such action, suit or proceeding if such person acted in good faith and in a manner such person reasonably believed to be in or not opposed to the best interests of the corporation and, with respect to any criminal action or proceeding, had no reasonable cause to believe such person's conduct was unlawful. In the case of a derivative action, a Delaware corporation may indemnify any such person against expenses (including attorneys' fees) actually and reasonably incurred by such person in connection with the defense or settlement of such action or suit if such person acted in good faith and in a manner such person reasonably believed to be in or not opposed to the best interests of the corporation, except that no indemnification will be made in respect of any claim, issue or matter as to which such person will have been adjudged to be liable to the corporation unless and only to the extent that the Court of Chancery of the State of Delaware or any other court in which such action was brought determines such person is fairly and reasonably entitled to indemnity for such expenses.

Our certificate of incorporation and bylaws provide that we will indemnify our directors, officers, employees and agents to the extent and in the manner permitted by the provisions of the DGCL, as amended from time to time, subject to any permissible expansion or limitation of such indemnification, as may be set forth in any amendment by stockholders or directors resolution.

Any repeal or modification of these provisions approved by our stockholders will be prospective only and will not adversely affect any limitation on the liability of any of our directors or officers existing as of the time of such repeal or modification.

We have director and officer liability insurance to cover liabilities our directors and officers may incur in connection with their services to us, including matters arising under the Securities Act.

## **ITEM 15. RECENT SALES OF UNREGISTERED SECURITIES**

Since January 1, 2011, the Company made sales of the following unregistered securities:

### **Original Issuances of Stock and Warrants**

#### *Formation of Holdings*

In connection with our formation in December 2013, we sold an aggregate of 6,000,000 shares of common stock for an aggregate of \$120,000 (\$0.02 per share), which includes 1,000,000 shares of common stock owned by Adam Stern. Mr. Stern is an affiliate of Aegis Capital Corporation, the placement agent for our 2014 private placement described below.

#### *2014 Private Placement*

In April and May 2014, we sold an aggregate of 10,260,000 shares of our common stock and warrants to purchase an aggregate of 10,260,000 shares of our common stock with an exercise price of \$1.00 per share to 113 accredited investors.

In connection with the 2014 Private Placement, we issued a warrant to the Placement Agent to purchase 2,047,000 shares of our common stock with an exercise price of \$1.00 per share.

#### *Merger Transaction*

On April 11, 2014, pursuant to the terms of the Merger Agreement by and among JB Therapeutics, Inc., Holdings and Corbus Pharmaceuticals Acquisition, Inc., or Merger Sub, a wholly-owned subsidiary of Holdings, or the Merger Agreement, the JB Therapeutics merged with and into Merger Sub and became a wholly-owned subsidiary of Holdings. In connection with the Merger, we issued an aggregate of 9,000,000 shares of our common stock (60% of the outstanding shares) and warrants to purchase 917,612 shares of our common stock at an exercise price of \$1.00 per share to 41 stockholders of JB Therapeutics.

On April 11, 2014, pursuant to the terms of the Merger Agreement and in connection with prior rounds of financing of JB Therapeutics, we issued warrants to purchase 27,839 shares of our common stock at an exercise price of \$0.60 per share. We also issued warrants, or the Additional Replacement Warrants, to purchase 350,000 shares of our common stock, with an exercise price of \$0.66, to replace previously held warrants to purchase common stock of JB Therapeutics. The Additional Replacement Warrants are substantially similar to the Investor Warrants except that they include cashless exercise provisions and are not subject to redemption by us.

### **Stock Options**

Since January 1, 2011, we have granted stock options under our 2014 Equity Compensation Plan to purchase an aggregate of 1,926,882 at a weighted average exercise price of \$0.60 per share.

### **Securities Act Exemptions**

We deemed the offers, sales and issuances of the securities described above under “—Original Issuances of Stock and Warrants” to be exempt from registration under the Securities Act in reliance on Section 4(2) of the Securities Act, including Regulation D and Rule 506 promulgated thereunder, relative to transactions by an issuer not involving a public offering. All purchasers of securities in transactions exempt from registration pursuant to Regulation D represented to us that they were accredited investors and were acquiring the shares for investment purposes only and not with a view to, or for sale in connection with, any distribution thereof and that they could bear the risks of the investment and could hold the securities for an indefinite period of time. The purchasers received written disclosures that the securities had not been registered under the Securities Act and that any resale must be made pursuant to a registration statement or an available exemption from such registration.

We deemed the grants of stock options and issuances of common stock upon exercise of such options described above under “— Stock Options” to be exempt from registration under the Securities Act in reliance on Rule 701 of the Securities Act as offers and sales of securities under compensatory benefit plans and contracts relating to compensation in compliance with Rule 701. Each of the recipients of securities in any transaction exempt from registration either received or had adequate access, through employment, business or other relationships, to information about us.

All certificates representing the securities issued in the transactions described in this Item 15 included appropriate legends setting forth that the securities had not been offered or sold pursuant to a registration statement and describing the applicable restrictions on transfer of the securities. There were no underwriters employed in connection with any of the transactions set forth in this Item 15.

#### **ITEM 16. EXHIBITS AND FINANCIAL STATEMENT SCHEDULES**

<b>Exhibit No.</b>	<b>Description</b>
3.1	Certificate of Incorporation
3.2	Certificate of Amendment
3.3	Bylaws
4.1	Form of Merger Warrant
4.2	Form of Replacement Warrant
4.3	Form of Investor Warrant
4.4	Form of Additional Replacement Warrant
4.5	Form of Placement Agent Warrant
4.6	Registration Rights Agreement
5.1	Opinion of Lowenstein Sandler LLP*
10.1	Placement Agency Agreement, dated March 27, 2014, between the Company and Aegis Capital Corp.
10.2	Consulting Agreement, dated March 21, 2014, between the Company and Orchestra Medical Ventures
10.3	Form of Subscription Agreement for the Company’s 2014 private placement
10.4	Form of Voting Agreement, dated April 11, 2014, by and among the Company and the stockholders named therein
10.5	2014 Equity Compensation Plan
10.6	Form of Incentive Stock Option Agreement
10.7	Form of Non-Qualified Stock Option Agreement
10.8	Form of Restricted Stock Agreement
10.9	Employment Agreement, dated April 11, 2014, between the Company and Yuval Cohen

- 10.10 Employment Agreement, dated April 11, 2014, between the Company and Mark Tepper
- 10.11 Amended and Restated Employment Agreement, dated June 26, 2014, between the Company and Sean Moran
- 10.12 Agreement and Plan of Merger, dated March 27, 2014, by and among the Company, Corbus Pharmaceuticals Acquisition, Inc. and JB Therapeutics, Inc.+
- 10.13 Subscription Agreement, dated April 2009, between Sumner Burstein and JB Therapeutics, Inc. (which is now known as Corbus Pharmaceuticals, Inc.)#
- 10.14 Letter Agreement, dated April 29, 2009, between JB Therapeutics, Inc. (which is now known as Corbus Pharmaceuticals, Inc.) and Sumner Burstein#
- 21.1 List of Subsidiaries of the Company
- 23.1 Consent of EisnerAmper LLP
- 23.2 Consent of Lowenstein Sandler LLP (included in Exhibit 5.1)\*
- 24.1 Power of Attorney (included on the signature page of this Registration Statement) (included on the signature page)

\* To be filed by amendment

+ As permitted by Item 601(b)(2) of Regulation S-K, certain schedules to this agreement have not been filed herewith. The company will furnish supplementally a copy of any omitted schedule to the Commission upon request.

# Confidential treatment will be requested with respect to certain portions of this exhibit. Omitted portions will be submitted separately to the U.S. Securities and Exchange Commission.

## ITEM 17. UNDERTAKINGS

The undersigned registrant hereby undertakes:

(1) To file, during any period in which offers or sales are being made, a post-effective amendment to this registration statement:

(i) To include any prospectus required by Section 10(a)(3) of the Securities Act of 1933;

(ii) To reflect in the prospectus any facts or events arising after the effective date of the registration statement (or the most recent post-effective amendment thereof) which, individually or in the aggregate, represent a fundamental change in the information set forth in the registration statement. Notwithstanding the foregoing, any increase or decrease in volume of securities offered (if the total dollar value of securities offered would not exceed that which was registered) and any deviation from the low or high end of the estimated maximum offering range may be reflected in the form of prospectus filed with the Securities and Exchange Commission pursuant to Rule 424(b) if, in the aggregate, the changes in volume and price represent no more than a 20% change in the maximum aggregate offering price set forth in the "Calculation of Registration Fee" table in the effective registration statement; and

(iii) To include any material information with respect to the plan of distribution not previously disclosed in the registration statement or any material change to such information in the registration statement;

(2) That, for the purpose of determining any liability under the Securities Act of 1933, each such post-effective amendment 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) To remove from registration by means of a post-effective amendment any of the securities being registered which remain unsold at the termination of the offering.

(4) That, for the purpose of determining liability under the Securities Act of 1933 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 (§230.430A of this chapter), 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.

(5) That, for the purpose of determining liability of the registrant under the Securities Act of 1933 to any purchaser in the initial distribution of the securities:

The undersigned registrant undertakes that 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.

(6) Insofar as indemnification for liabilities arising under the Securities Act of 1933 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 of 1933 and is, therefore, unenforceable. In the event that a claim for indemnification against such liabilities (other than the payment by the registrant of expenses incurred or paid by a director, officer or controlling person of the registrant in the successful defense of any action, suit or proceeding) is asserted by such director, officer or controlling person in connection with the securities being registered, the registrant will, unless in the opinion of its counsel the matter has been settled by controlling precedent, submit to a court of appropriate jurisdiction the question whether such indemnification by it is against public policy as expressed in the Securities Act of 1933 and will be governed by the final adjudication of such issue.

## SIGNATURES

Pursuant to the requirements of the Securities Act, the registrant has duly caused this registration statement to be signed on its behalf by the undersigned, thereunto duly authorized, in the City of Norwood, State of Massachusetts on September 3, 2014.

### CORBUS PHARMACEUTICALS HOLDINGS, INC.

By: /s/ Yuval Cohen  
Name: Yuval Cohen  
Title: Chief Executive Officer

By: /s/ Sean Moran  
Name: Sean Moran  
Title: Chief Financial Officer

KNOW ALL MEN BY THESE PRESENTS, that we, the undersigned officers and directors Corbus Pharmaceuticals Holdings, Inc., a Delaware corporation (the "Company"), do hereby constitute and appoint Yuval Cohen as his or her true and lawful attorney-in-fact and agent, with full power of substitution and re-substitution, for him and in his name, place, and stead, in any and all capacities, to sign any and all amendments (including post-effective amendments, exhibits thereto and other documents in connection therewith) to this Registration Statement and any subsequent registration statement filed by the registrant pursuant to Rule 462(b) of the Securities Act of 1933, as amended, which relates to this Registration Statement, and to file the same, with all exhibits thereto, and other documents in connection therewith, with the Securities and Exchange Commission, granting unto said attorney-in-fact and agent full power and authority to do and perform each and every act and thing requisite and necessary to be done in connection therewith, as fully to all intents and purposes as he might or could do in person, hereby ratifying and confirming all that said attorney-in-fact and agent, or his substitute or substitutes, may lawfully do or cause to be done by virtue hereof.

Pursuant to the requirements of the Securities Act of 1933, as amended, this registration statement has been signed below by the following persons in the capacities and on the dates indicated.

<u>Person</u>	<u>Capacity</u>	<u>Date</u>
<u>/s/ Yuval Cohen</u> Yuval Cohen	Chief Executive Officer and Director (Principal Executive Officer)	September 3, 2014
<u>/s/ Sean Moran</u> Sean Moran	Chief Financial Officer (Principal Financial and Accounting Officer)	September 3, 2014
<u>/s/ Alan Holmer</u> Alan Holmer	Director	September 3, 2014
<u>/s/ David Hochman</u> David Hochman	Director	September 3, 2014
<u>/s/ Renu Gupta</u> Renu Gupta	Director	September 3, 2014
<u>/s/ Avery W. Catlin</u> Avery W. Catlin	Director	September 3, 2014

**CERTIFICATE OF INCORPORATION**  
**OF**  
**SAV ACQUISITION CORPORATION**

ARTICLE I

The name of the Corporation is SAV Acquisition Corporation.

ARTICLE II

The address of the Corporation's registered office in the State of Delaware is 615 South DuPont Highway, Dover, DE 19901, Kent County; and the name of the registered agent of the Corporation in the State of Delaware at such address is National Corporate Research, Ltd. The Corporation shall have the authority to designate other registered offices and registered agents both in the State of Delaware and in other jurisdictions.

ARTICLE III

The purpose of the Corporation is to engage in any lawful act or activity for which corporations may be organized under the Delaware General Corporation Law (the "DGCL").

ARTICLE IV

The name and mailing address of the Incorporator of the Corporation is Steven D. Uslander, Esq., Littman Krooks LLP, 655 Third Avenue, 20<sup>th</sup> Floor, New York, NY 10017-5617.

ARTICLE V

A. CAPITAL STOCK

The total number of shares of capital stock which the Corporation shall have authority to issue is One Hundred Sixty Million (160,000,000), of which (i) One Hundred Fifty Million (150,000,000) shares shall be a class designated as common stock, par value \$0.0001 per share (the "Common Stock"), and (ii) Ten Million Shares (10,000,000) shares shall be a class designated as preferred stock, par value \$0.0001 per share (the "Preferred Stock").

The number of authorized shares of Common Stock or Preferred Stock may from time to time be increased or decreased (but not below the number of shares then outstanding) by the affirmative vote of the holders of a majority in voting power of the outstanding shares of stock of the Corporation entitled to vote thereon irrespective of the provisions of Section 242(b)(2) of the DGCL (or any successor provision thereto), and no vote of the holders of any of the Common Stock or the Preferred Stock voting separately as a class shall be required therefor, unless a vote of any such holder is required pursuant to this Certificate (including pursuant to any certificate of designation of any series of Preferred Stock).

The powers, preferences and rights of, and the qualifications, limitations and restrictions upon, each class or series of stock shall be determined in accordance with, or as set forth below in, this Article V.

B. COMMON STOCK

1. Voting. Each holder of record of Common Stock, as such, shall have one vote for each share of Common Stock which is outstanding in his, her or its name on the books of the Corporation on all matters on which stockholders are entitled to vote generally. Except as otherwise required by law, holders of Common Stock shall not be entitled to vote on any amendment to this Certificate (including any certificate of designation relating to 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 with the holders of one or more other such series, to vote thereon pursuant to this Certificate (including any certificate of designation relating to any series of Preferred Stock) or pursuant to the DGCL.

2. Dividends. Subject to applicable law and the rights, if any, of the holders of any outstanding series of Preferred Stock or any class or series of stock having a preference over or the right to participate with the Common Stock with respect to the payment of dividends, dividends may be declared and paid or set apart for payment upon the Common Stock out of any assets or funds of the Corporation legally available for the payment of dividends, but only when and as declared by the Board of Directors or any authorized committee thereof.

3. Liquidation. Upon the dissolution, liquidation or winding up of the Corporation, after payment or provision for payment of the debts and other liabilities of the Corporation and subject to the rights, if any, of the holders of any outstanding series of Preferred Stock or any class or series of stock having a preference over or the right to participate with the Common Stock with respect to the distribution of assets of the Corporation upon such dissolution, liquidation or winding up of the Corporation, the holders of Common Stock shall be entitled to receive the remaining assets of the Corporation available for distribution to its stockholders ratably in proportion to the number of shares held by them.

### C. PREFERRED STOCK

The Board of Directors is hereby expressly authorized, by resolution or resolutions, to provide, out of the authorized, unissued shares of Preferred Stock, for one or more series of Preferred Stock and, with respect to each such series, to fix the number of shares constituting such series and the designation of such series, and the powers (including voting powers, if any), preferences and relative, participating, optional and other special rights, if any, and *any* qualifications, limitations or restrictions thereof, of the shares of such series of Preferred Stock. The powers, preferences and relative, participating, optional and other special rights of, and the qualifications, limitations or restrictions thereof, of each series of Preferred Stock, if any, may differ from those of any and all other series at any time outstanding. Except as otherwise required by law, holders of any series of Preferred Stock shall be entitled to only such voting rights, if any, as shall expressly be granted thereto by this Certificate (including any certificate of designation relating to such series of Preferred Stock).

## ARTICLE VI

### STOCKHOLDER ACTION

1. Written Consent of Stockholders in Lieu of Meeting. Except as otherwise provided herein, any action required by law to be taken at any annual or special meeting of stockholders of the Corporation, or any action which may be taken at any annual or special meeting of such stockholders, may be taken without a meeting, without prior notice and without a vote, if a consent or consents in writing, setting forth the action so taken, shall be signed by the holders of outstanding stock having not less than the minimum number of votes that would be necessary to authorize or take such action at a meeting at which all shares entitled to vote thereon were present and voted and shall be delivered to the Corporation by delivery to (a) its registered office in the State of Delaware by hand or by certified mail or registered mail, return receipt requested, (b) its principal place of business, or (c) an officer or agent of the Corporation having custody of the book in which proceedings of meetings of stockholders are recorded. Every written consent shall bear the date of signature of each stockholder who signs the consent and no written consent shall be effective to take the corporate action referred to therein unless, within sixty (60) days of the earliest dated consent delivered in the manner required by this by-law to the Corporation, written consents signed by a sufficient number of holders to take action are delivered to the Corporation by delivery to (i) its registered office in the State of Delaware by hand or by certified or registered mail, return receipt requested, (ii) its principal place of business, or (iii) an officer or agent of the Corporation having custody of the book in which proceedings of meetings of stockholders are recorded. Prompt notice of the taking of the corporate action without a meeting by less than unanimous written consent shall be given to those stockholders who have not consented in writing as may be required by applicable law.



2. Special Meetings. Except as otherwise required by statute and subject to the rights, if any, of the holders of any series of Preferred Stock, special meetings of the stockholders of the Corporation may be called by the Board of Directors acting pursuant to a resolution approved by the affirmative vote of a majority of the Board of Directors to be held at such date, time and place either within or without the State of Delaware as may be stated in the notice of the meeting. A special meeting of stockholders shall be called by the Secretary upon the written request, stating the purpose of the meeting, of stockholders who together own of record at least twenty percent (20%) in voting power of the outstanding shares of stock entitled to vote at such meeting.

## ARTICLE VII

### DIRECTORS

1. General. The business and affairs of the Corporation shall be managed by or under the direction of the Board of Directors except as otherwise provided herein or required by law.

2. Election of Directors. Election of Directors need not be by written ballot unless the Bylaws of the Corporation (the "Bylaws") shall so provide.

3. Number of Directors; Term of Office. Except as otherwise provided for or fixed pursuant to the provisions of Article V of this Certificate (including any certificate of designation of any series of Preferred Stock) and this Article VII relating to the rights of the holders of any series of Preferred Stock to elect additional directors, the number of Directors of the Corporation shall be fixed solely and exclusively by resolution duly adopted from time to time by the Board of Directors. The Directors, other than those who may be elected by the holders of any series of Preferred Stock, shall be elected at each annual meeting of stockholders for a term of one year. Each Director shall serve until his successor is duly elected and qualified or until his death, resignation or removal. No decrease in the number of directors constituting the Board of Directors shall shorten the term of any incumbent Director.

During any period when the holders of any series of Preferred Stock have the right to elect additional Directors, then upon commencement and for the duration of the period during which such right continues: (i) the then otherwise total authorized number of Directors shall automatically be increased by such specified number of Directors, and the holders of such Preferred Stock shall be entitled to elect the additional Directors so provided for or fixed pursuant to said provisions, and (ii) each such additional Director shall serve until such Director's successor shall have been duly elected and qualified, or until such Director's right to hold such office terminates pursuant to said provisions, whichever occurs earlier, subject to his or her earlier death, resignation, retirement, disqualification or removal. Except as otherwise provided by the Board of Directors in the resolution or resolutions establishing such series, whenever the holders of any series of Preferred Stock having such right to elect additional Directors are divested of such right pursuant to the provisions of such stock, the terms of office of all such additional Directors elected by the holders of such stock, or elected to fill any vacancies resulting from the death, resignation, disqualification or removal of such additional Directors, shall forthwith terminate and the total authorized number of directors of the Corporation shall be reduced accordingly.

4. Vacancies. Subject to the rights, if any, of the holders of any series of Preferred Stock to elect Directors and to fill vacancies in the Board of Directors relating thereto, any and all vacancies in the Board of Directors, however occurring, including, without limitation, by reason of an increase in size of the Board of Directors, or the death, resignation, disqualification or removal of a Director, shall be filled solely and exclusively by the affirmative vote of a majority of the remaining Directors then in office, even if less than a quorum of the Board of Directors, and not by the stockholders. 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 duly elected and qualified or until his or her earlier resignation, death or removal.

5. Removal. Subject to the rights, if any, of any series of Preferred Stock to elect Directors and to remove any Director whom the holders of any such stock have the right to elect, any Director (including persons elected by Directors to fill vacancies in the Board of Directors) may be removed from office (i) with cause or without cause and (ii) only by the affirmative vote of the holders of at least a majority in voting power of the shares then entitled to vote at an election of Directors.

ARTICLE VIII

LIMITATION OF LIABILITY

A Director of the Corporation shall not be personally liable to the Corporation or its stockholders for monetary damages for breach of fiduciary duty as a Director, except for liability (i) for any breach of the Director's duty of loyalty to the Corporation or its stockholders, (ii) for acts or omissions not in good faith or which involve intentional misconduct or a knowing violation of law, (iii) under Section 174 of the DGCL or (iv) for any transaction from which the Director derived an improper personal benefit. If the DGCL is amended after the effective date of this Certificate 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 DGCL, as so amended.

Any repeal or modification of this Article VIII, shall not adversely affect any right or protection existing at the time of such repeal or modification with respect to any acts or omissions occurring before such repeal or modification of a person serving as a Director at the time of such repeal or modification.

ARTICLE IX

AMENDMENT OF BYLAWS

1. Amendment by Directors. Except as otherwise provided by law, the Bylaws of the Corporation may be amended or repealed by the Board of Directors by the affirmative vote of a majority of the Board.

2. Amendment by Stockholders. The Bylaws of the Corporation may be amended or repealed by the stockholders at any annual meeting of stockholders, or special meeting of stockholders called for such purpose as provided in the Bylaws, by the affirmative vote of the holders of at least a majority in voting power of the outstanding shares entitled to vote on such amendment or repeal, voting together as a single class.

ARTICLE X

AMENDMENT OF CERTIFICATE OF INCORPORATION

The Corporation reserves the right to amend or repeal this Certificate in the manner now or hereafter prescribed by statute and this Certificate, and all rights conferred upon stockholders herein are granted subject to this reservation. In addition to any other vote required by law or this Certificate, the affirmative vote of the holders of at least a majority in voting power of the outstanding shares entitled to vote on such amendment or repeal, shall be required to amend or repeal any provision of Article VI, Article VII, Article VIII, Article IX or Article X of this Certificate.

ARTICLE XI

EXCLUSIVE JURISDICTION

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 (i) any derivative action or proceeding brought on behalf of the Corporation; (ii) any action asserting a claim of breach of a fiduciary duty owed by any director, officer or other employee of the Corporation to the Corporation or the Corporation's stockholders, creditors or other constituents; (iii) any action asserting a claim against the Corporation or any Director or officer of the Corporation arising pursuant to, or a claim against the Corporation or any Director or officer of the Corporation with respect to the interpretation or application of any provision of, the DGCL, this Certificate or the Bylaws of the Corporation; or (iv) any action asserting a claim governed by the internal affairs doctrine in each such case subject to said court 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 court sitting in the State of Delaware. To the fullest extent permitted by 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 XI.

THE UNDERSIGNED, being the Incorporator hereinabove named, for the purpose of forming a corporation pursuant to the Delaware General Corporation Law, do make this certificate, hereby declaring and certifying that this is my act and deed and the facts herein stated are true, and accordingly have hereunto set my hand this 18<sup>th</sup> day of December, 2013.

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Steven D. Uslaner, Incorporator

**CERTIFICATE OF AMENDMENT OF THE  
CERTIFICATE OF INCORPORATION OF  
SAV ACQUISITION CORPORATION**

**A Delaware Corporation**

SAV Acquisition Corporation, a corporation organized and existing under the laws of the State of Delaware (the "**Corporation**"), hereby certifies that:

A. The name of this Corporation is SAV Acquisition Corporation.

B. The date of filing of the original Certificate of Incorporation of the Corporation with the Secretary of State of the State of Delaware was December 18, 2011.

C. The Board of Directors of the Corporation, by unanimous written consent pursuant to Section 141(f) of the General Corporation Law of the State of Delaware, duly adopted the following amendments to the Certificate of Incorporation:

D. Article I of the Certificate of Incorporation is hereby amended to read, in its entirety, as follows:

The name of the Corporation is Corbus Pharmaceuticals Holdings, Inc.

E. Article V of the Certificate of Incorporation is hereby amended by adding the following new paragraph:

Upon the filing and effectiveness (the "**Effective Time**") pursuant to the Delaware General Corporation Law of this Certificate of Amendment to the Certificate of Incorporation of the Corporation, each two (2) shares of Common Stock issued and outstanding immediately prior to the Effective Time shall, automatically and without any action on the part of the respective holders thereof, be combined and converted into one (1) share of Common Stock (the "**Reverse Stock Split**"). No fractional shares shall be issued in connection with the Reverse Stock Split. Stockholders who otherwise would be entitled to receive fractional shares of Common Stock shall be entitled to be rounded up to the next whole share of Common Stock. Each certificate that immediately prior to the Effective Time represented shares of Common Stock ("**Old Certificates**"), shall thereafter represent that number of shares of Common Stock into which the shares of Common Stock represented by the Old Certificate shall have been combined, subject to adjustment for fractional share interests as described above. Other than as set forth in this paragraph, all numbers of shares, and all amounts stated on a per share basis, contained in this Certificate of Incorporation, as amended, are stated after giving effect to such Reverse Stock Split and no further adjustment shall be made as a consequence of such Reverse Stock Split. For purposes of clarity, after the Effective Time, the total number of shares of all classes of stock that the Corporation shall have authority to issue shall remain at One Hundred Sixty Million (160,000,000) shares, consisting of One Hundred Fifty Million (150,000,000) shares of Common Stock and Ten Million (10,000,000) shares of Preferred Stock.

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F. By written consent executed in accordance with Section 228 of the General Corporation Law of the State of Delaware, the holders of a majority of the outstanding stock of the Corporation entitled to vote thereon was given written notice of the proposed amendments to the Certificate of Incorporation and voted in favor of the adoption of the amendments to the Certificate of Incorporation. The necessary numbers of shares, as required by statute, were voted in favor of the amendments.

G. This Certificate of Amendment of the Certificate of Incorporation has been duly adopted by the Board of Directors and stockholders of the Corporation in accordance with the provisions of Section 242 of the General Corporation Law of the State of Delaware.

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IN WITNESS WHEREOF, SAV Acquisition Corporation has caused this Certificate of Amendment of the Certificate of Incorporation to be signed by David Hochman, its President, this \_\_ day of \_\_\_\_\_, 2014.

SAV ACQUISITION CORPORATION

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David Hochman  
President

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**BYLAWS**  
**OF**  
**SAV ACQUISITION CORPORATION**

(the "Corporation")

ARTICLE I  
Stockholders

SECTION 1.

(a) Annual Meeting. The annual meeting of stockholders (any such meeting being referred to in these Bylaws as an "Annual Meeting") shall be held at the hour, date and place, if any, within or without the United States which is fixed by the Board of Directors of the Corporation (the "Board of Directors") which time, date and place may subsequently be changed at any time by vote of the Board of Directors.

(b) Registered Office. The address of the registered office of the Corporation in the State of Delaware shall be as stated in the Corporation's Certificate of Incorporation, as may be changed from time to time as provided by law. The Corporation may have other offices, both within and without the State of Delaware, as the board of directors of the Corporation (the "Board of Directors") from time to time shall determine or the business of the Corporation may require.

(c) Books and Records. Any records maintained by the Corporation in the regular course of its business, including its stock ledger, books of account and minute books, may be maintained on any information storage device or method; provided that the records so kept can be converted into clearly legible paper form within a reasonable time. The Corporation shall so convert any records so kept upon the request of any person entitled to inspect such records pursuant to applicable law.

SECTION 2. Notice of Stockholder Business and Nominations.

(a) Annual Meetings of Stockholders.

(1) Nominations of persons for election to the Board of Directors and the proposal of other business to be considered by the stockholders may be brought before an Annual Meeting only (i) pursuant to the Corporation's notice of meeting (or any supplement thereto), (ii) by or at the direction of the Board of Directors or (iii) by any stockholder of the Corporation who was a stockholder of record at the time of giving of notice provided for in this Bylaw, who is entitled to vote at the meeting, and who complies with the notice procedures set forth in this Bylaw as to such nomination or business. For the avoidance of doubt, the foregoing clause (iii) shall be the exclusive means for a stockholder to bring nominations or business properly before an Annual Meeting (other than matters properly brought under Rule 14a-8 (or any successor rule) under the Securities Exchange Act of 1934, as amended (with the rules and regulations promulgated thereunder, the "Exchange Act")), and such stockholder must comply with the notice and other procedures set forth in Article I, Section 2 of this Bylaw to bring such nominations or business properly before an Annual Meeting. In addition to the other requirements set forth in this Bylaw, for any proposal of business (other than the nomination of persons for election to the Board of Directors) to be considered at an Annual Meeting, it must be a proper subject for action by stockholders of the Corporation under Delaware law.

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(2) For nominations or other business to be properly brought before an Annual Meeting by a stockholder pursuant to clause (iii) of Article I, Section 2(a)(1) of this Bylaw, the stockholder must (i) have given Timely Notice (as defined below) thereof in writing to the Secretary of the Corporation, (ii) have provided any updates or supplements to such notice at the times and in the forms required by this Bylaw and (iii) together with the beneficial owner(s), if any, on whose behalf the nomination or business proposal is made, have acted in accordance with the representations set forth in the Solicitation Statement (as defined below) required by this Bylaw. To be timely, a stockholder's written notice shall be received by the Secretary at the principal executive offices of the Corporation not later than the close of business on the ninetieth (90th) day nor earlier than the close of business on the one hundred twentieth (120th) day prior to the one-year anniversary of the preceding year's Annual Meeting; provided, however, that in the event the Annual Meeting is first convened more than thirty (30) days before or more than sixty (60) days after such anniversary date, or if no Annual Meeting were held in the preceding year, notice by the stockholder to be timely must be received by the Secretary of the Corporation not later than the close of business on the later of the ninetieth (90th) day prior to the scheduled date of such Annual Meeting or the tenth (10th) day following the day on which public announcement of the date of such meeting is first made (such notice within such time periods shall be referred to as "Timely Notice"). Notwithstanding anything to the contrary provided herein, for the first Annual Meeting following the effective date of the Corporation's registration statement submitted with the U.S. Securities and Exchange Commission, a stockholder's notice shall be timely if received by the Secretary at the principal executive offices of the Corporation not later than the close of business on the later of the ninetieth (90th) day prior to the scheduled date of such Annual Meeting or the tenth (10th) day following the day on which public announcement of the date of such Annual Meeting is first made or sent by the Corporation. In no event shall the public announcement of an adjournment or postponement of an annual meeting commence a new time period (or extend any time period) for the giving of a stockholder's notice as described above. Such stockholder's Timely Notice shall set forth:

(A) as to each person whom the stockholder proposes to nominate for election or reelection as a director, all information relating to such person that is required to be disclosed in solicitations of proxies for election of directors in an election contest, or is otherwise required, in each case pursuant to Regulation 14A under the Exchange Act (including such person's written consent to being named in the proxy statement as a nominee and to serving as a director if elected) provided, further, that the Corporation may require any proposed nominee to furnish such other information as the Corporation may reasonably require to determine the eligibility of such proposed nominee to serve as a director of the Corporation.;

(B) as to any other business that the stockholder proposes to bring before the meeting, a brief description of the business desired to be brought before the meeting, the text of the proposal or business (including the text of any resolutions proposed for consideration and in the event that such business includes a proposal to amend the Bylaws, the language of the proposed amendment), the reasons for conducting such business at the meeting, and any material interest in such business of each Proposing Person (as defined below);

(C) (i) the name and address of the stockholder giving the notice, as they appear on the Corporation's books, and the names and addresses of the other Proposing Persons (if any) and (ii) as to each Proposing Person, the following information: (a) the class or series and number of all shares of capital stock of the Corporation which are, directly or indirectly, owned beneficially or of record by such Proposing Person or any of its affiliates or associates (as such terms are defined in Rule 12b-2 promulgated under the Exchange Act), including any shares of any class or series of capital stock of the Corporation as to which such Proposing Person or any of its affiliates or associates has a right to acquire beneficial ownership at any time in the future, (b) all Synthetic Equity Interests (as defined below) in which such Proposing Person or any of its affiliates or associates, directly or indirectly, holds an interest including a description of the material terms of each such Synthetic Equity Interest, including without limitation, identification of the counterparty to each such Synthetic Equity Interest and disclosure, for each such Synthetic Equity Interest, as to (x) whether or not such Synthetic Equity Interest conveys any voting rights, directly or indirectly, in such shares to such Proposing Person, (y) whether or not such Synthetic Equity Interest is required to be, or is capable of being, settled through delivery of such shares and (z) whether or not such Proposing Person and/or, to the extent known, the counterparty to such Synthetic Equity Interest has entered into other transactions that hedge or mitigate the economic effect of such Synthetic Equity Interest, (c) any proxy (other than a revocable proxy given in response to a public proxy solicitation made pursuant to, and in accordance with, the Exchange Act), agreement, arrangement, understanding or relationship pursuant to which such Proposing Person has or shares a right to, directly or indirectly, vote any shares of any class or series of capital stock of the Corporation, (d) any rights to dividends or other distributions on the shares of any class or series of capital stock of the Corporation, directly or indirectly, owned beneficially by such Proposing Person that are separated or separable from the underlying shares of the Corporation, and (e) any performance-related fees (other than an asset based fee) that such Proposing Person, directly or indirectly, is entitled to based on any increase or decrease in the value of shares of any class or series of capital stock of the Corporation or any Synthetic Equity Interests (the disclosures to be made pursuant to the foregoing clauses (a) through (e) are referred to, collectively, as "Material Ownership Interests"), (iii) a description of the material terms of all agreements, arrangements or understandings (whether or not in writing) entered into by any Proposing Person or any of its affiliates or associates with any other person for the purpose of acquiring, holding, disposing or voting of any shares of any class or series of capital stock of the Corporation and (iv) any other information relating to such stockholder and beneficial owner, if any, required to be disclosed in a proxy statement or other filings required to be made in connection with the solicitation of proxies for, as applicable, the proposal and/or for the election of directors in an election contest pursuant to and in accordance with Section 14(a) of the Exchange Act and the rules and regulations promulgated thereunder;



(D) (i) a description of all agreements, arrangements or understandings by and among any of the Proposing Persons, or by and among any Proposing Persons and any other person (including with any proposed nominee(s)), pertaining to the nomination(s) or other business proposed to be brought before the meeting of stockholders (which description shall identify the name of each other person who is party to such an agreement, arrangement or understanding), and (ii) identification of the names and addresses of other stockholders (including beneficial owners) known by any of the Proposing Persons to support such nominations or other business proposal(s), and to the extent known the class and number of all shares of the Corporation's capital stock owned beneficially or of record by such other stockholder(s) or other beneficial owner(s); and

(E) a statement whether or not the stockholder giving the notice and/or the other Proposing Person(s), if any, will (i) deliver a proxy statement and form of proxy to holders of, in the case of a business proposal, at least the percentage of voting power of all of the shares of capital stock of the Corporation required under applicable law to approve the proposal or, in the case of a nomination or nominations, at least the percentage of voting power of all of the shares of capital stock of the Corporation reasonably believed by such Proposing Person to be sufficient to elect the nominee or nominees proposed to be nominated by such stockholder and/or (ii) otherwise solicit proxies or votes from stockholders in support of such proposal or nomination (such statement, the "Solicitation Statement").

For purposes of this Article I of these Bylaws, the term "Proposing Person" shall mean the following persons: (i) the stockholder of record providing the notice of nominations or business proposed to be brought before a stockholders' meeting, and (ii) the beneficial owner(s), if different, on whose behalf the nominations or business proposed to be brought before a stockholders' meeting is made. For purposes of this Section 2 of Article I of these Bylaws, the term "Synthetic Equity Interest" shall mean any transaction, agreement or arrangement (or series of transactions, agreements or arrangements), including, without limitation, any derivative, swap, hedge, repurchase or so-called "stock borrowing" agreement or arrangement, the purpose or effect of which is to, directly or indirectly: (a) give a person or entity economic benefit and/or risk similar to ownership of shares of any class or series of capital stock of the Corporation, in whole or in part, including due to the fact that such transaction, agreement or arrangement provides, directly or indirectly, the opportunity to profit or avoid a loss from any increase or decrease in the value of any shares of any class or series of capital stock of the Corporation, (b) mitigate loss to, reduce the economic risk of or manage the risk of share price changes for, any person or entity with respect to any shares of any class or series of capital stock of the Corporation, (c) otherwise provide in any manner the opportunity to profit or avoid a loss from any decrease in the value of any shares of any class or series of capital stock of the Corporation, or (d) increase or decrease the voting power of any person or entity with respect to any shares of any class or series of capital stock of the Corporation.

(3) A stockholder providing Timely Notice of nominations or business proposed to be brought before an Annual Meeting shall further update and supplement such notice, if necessary, so that the information (including, without limitation, the Material Ownership Interests information) provided or required to be provided in such notice pursuant to this Bylaw shall be true and correct as of the record date for the meeting and as of the date that is ten (10) business days prior to such Annual Meeting, and such update and supplement shall be received by the Secretary at the principal executive offices of the Corporation not later than the close of business on the fifth (5th) business day after the record date for the Annual Meeting (in the case of the update and supplement required to be made as of the record date), and not later than the close of business on the eighth (8th) business day prior to the date of the Annual Meeting (in the case of the update and supplement required to be made as of ten (10) business days prior to the meeting).

(4) Notwithstanding anything in the second sentence of Article I, Section 2(a)(2) of this Bylaw to the contrary, in the event that the number of directors to be elected to the Board of Directors of the Corporation is increased and there is no public announcement naming all of the nominees for director or specifying the size of the increased Board of Directors made by the Corporation at least ten (10) days before the last day a stockholder may deliver a notice of nomination in accordance with the second sentence of Article I, Section 2(a)(2), a stockholder's notice required by this Bylaw shall also be considered timely, but only with respect to nominees for any new positions created by such increase, if it shall be received by the Secretary of the Corporation not later than the close of business on the tenth (10th) day following the day on which such public announcement is first made by the Corporation.

(5) Only such business shall be conducted at a special meeting of stockholders as shall have been brought before the meeting pursuant to the Corporation's notice of meeting. Nominations for persons for election to the Board of Directors may be made at a special meeting of stockholders at which directors are to be elected pursuant to the Corporation's notice of meeting (i) by or at the direction of the Board of Directors or any committee thereof or (ii) provided that the Board of Directors has determined that directors shall be elected at such meeting, by any stockholder of the Corporation who is a stockholder of record at the time the notice provided for in this Section 2 is delivered to the Secretary of the Corporation, who is entitled to vote at the meeting and upon such election and who complies with the notice procedures set forth in this Section 2. In the event the Corporation calls a special meeting of stockholders for the purpose of electing one or more directors to the Board of Directors, any such stockholder entitled to vote in such election of directors may nominate a person or persons (as the case may be) for election to such position(s) as specified in the Corporation's notice of meeting, if the stockholder's notice required by paragraph (a)(2) of this Section 2 shall be delivered to the Secretary at the principal executive offices of the Corporation not earlier than the close of business on the one hundred twentieth (120th) day prior to such special meeting and not later than the close of business on the later of the ninetieth (90th) day prior to such special meeting or the tenth (10th) day following the day on which public announcement is first made of the date of the special meeting and of the nominees proposed by the Board of Directors to be elected at such meeting. In no event shall the public announcement of an adjournment or postponement of a special meeting commence a new time period (or extend any time period) for the giving of a stockholder's notice as described above.

(b) General.

(1) Except as otherwise expressly provided in any applicable rule or regulation promulgated under the Exchange Act, only such persons who are nominated in accordance with the provisions of this Bylaw shall be eligible for election and to serve as directors and only such business shall be conducted at a meeting as shall have been brought before the meeting in accordance with the provisions of this Bylaw. The Board of Directors or a designated committee thereof shall have the power to determine whether a nomination or any business proposed to be brought before the meeting was made in accordance with the provisions of this Bylaw. If prior to the meeting neither the Board of Directors nor such designated committee makes a determination as to whether any stockholder proposal or nomination was made in accordance with the provisions of this Bylaw, the presiding officer of the meeting shall have the power and duty to determine whether the stockholder proposal or nomination was made in accordance with the provisions of this Bylaw. If the Board of Directors or a designated committee thereof or the presiding officer, as applicable, determines that any stockholder proposal or nomination was not made in accordance with the provisions of this Bylaw, such proposal or nomination shall be disregarded and shall not be presented for action at the meeting.

(2) Except as otherwise required by any applicable law or rule or regulation promulgated under the Exchange Act, nothing in this Article I, Section 2 shall obligate the Corporation or the Board of Directors to include in any proxy statement or other stockholder communication distributed on behalf of the Corporation or the Board of Directors information with respect to any nominee for director or any other matter of business submitted by a stockholder.

(3) Notwithstanding the foregoing provisions of this Article I, Section 2, if the proposing stockholder (or a qualified representative of the stockholder) does not appear at the meeting to present a nomination or any business, such nomination or business shall be disregarded, notwithstanding that proxies in respect of such vote may have been received by the Corporation. For purposes of this Article I, Section 2, to be considered a qualified representative of the proposing stockholder, a person must be authorized by a written instrument 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 written instrument or electronic transmission, or a reliable reproduction of the written instrument or electronic transmission, to the presiding officer at the meeting of stockholders.

(4) For purposes of this Bylaw, “public announcement” shall mean disclosure in a press release reported by the Dow Jones News Service, Associated Press or comparable national news service or in a document publicly filed by the Corporation with the Securities and Exchange Commission pursuant to Section 13, 14 or 15(d) of the Exchange Act.

(5) Notwithstanding the foregoing provisions of this Bylaw, a stockholder shall also comply with all applicable requirements of the Exchange Act and the rules and regulations thereunder with respect to the matters set forth in this Bylaw. Nothing in this Bylaw shall be deemed to affect any rights of (i) stockholders to have proposals included in the Corporation’s proxy statement pursuant to Rule 14a-8 (or any successor rule) under the Exchange Act and, to the extent required by such rule, have such proposals considered and voted on at an Annual Meeting or (ii) the holders of any series of Preferred Stock as specified in the Certificate of Incorporation of the Corporation (as the same may hereafter be amended and/or restated, the “Certificate”) (including any certificate of designation relating to any series of Preferred Stock).

(6) In addition to the requirements set forth elsewhere in these Bylaws, to be eligible to be a nominee for election or re-election as a director of the Corporation pursuant to a nomination under clause (iii) of Article I, Section 2(a)(1) and under clause (ii) of Article I, Section 2(a)(5) of this Bylaw, such proposed nominee or a person on such proposed nominee’s behalf must deliver, in accordance with the time periods for delivery of Timely Notice under Section 2(a)(2) of Article I and under clause (ii) of Article I, Section 2(a)(5) of this Bylaw, to the Secretary of the Corporation at the principal executive offices of the Corporation a completed and signed questionnaire with respect to the background and qualification of such proposed nominee and the background of any other person or entity on whose behalf the nomination is being made (which questionnaire shall be provided by the Secretary upon written request) and a written representation and agreement (in the 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 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 any person or entity on whose behalf the nomination is being made, would be in compliance, if elected as a director of the Corporation, and will comply with, all applicable publicly disclosed corporate governance, code of conduct and ethics, conflict of interest, confidentiality, corporate opportunities, trading and any other policies and guidelines of the Corporation applicable to directors.

SECTION 3. Special Meetings. Except as otherwise required by statute and subject to the rights, if any, of the holders of any series of Preferred Stock, special meetings of the stockholders of the Corporation may be called by the Board of Directors acting pursuant to a resolution approved by the affirmative vote of a majority of the Board of Directors to be held at such date, time and place either within or without the State of Delaware as may be stated in the notice of the meeting. A special meeting of stockholders shall be called by the Secretary upon the written request, stated the purpose of the meeting, of stockholders who together own of record at least twenty percent (20%) in voting power of the outstanding shares of stock entitled to vote at such meeting. The Board of Directors may postpone or reschedule any previously scheduled special meeting of stockholders. Only those matters set forth in the notice of the special meeting may be considered or acted upon at a special meeting of stockholders of the Corporation.

SECTION 4. Notice of Meetings; Adjournments.

(a) A notice of each Annual Meeting stating the hour, date and place, if any, of such Annual Meeting, the means of remote communication, if any, by which stockholders and proxyholders may be deemed to be present in person and vote at such meeting, and 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) shall be given not less than ten (10) days nor more than sixty (60) days before the Annual Meeting, to each stockholder entitled to vote thereat as of the record date for determining the stockholders entitled to notice of the meeting by delivering such notice to such stockholder or by mailing it, postage prepaid, addressed to such stockholder at the address of such stockholder as it appears on the Corporation’s stock transfer books. Without limiting the manner by which notice may otherwise be given to stockholders, any notice to stockholders may be given by electronic transmission in the manner provided in Section 232 of the Delaware General Corporation Law (“DGCL”).

(b) Notice of all special meetings of stockholders shall be given in the same manner as provided for Annual Meetings, except that the notice of all special meetings shall state the purpose or purposes for which the meeting has been called.

(c) Notice of an Annual Meeting or special meeting of stockholders need not be given to a stockholder if a waiver of notice is executed, or waiver of notice by electronic transmission is provided, before or after such meeting by such stockholder or if such stockholder attends such meeting, unless such attendance is for the express purpose of objecting at the beginning of the meeting to the transaction of any business because the meeting was not lawfully called or convened.

(d) The Board of Directors may postpone and reschedule any previously scheduled Annual Meeting or special meeting of stockholders, regardless of whether any notice or public disclosure with respect to any such meeting has been sent or made pursuant to Section 2 of this Article I of these Bylaws or otherwise.

(e) When any meeting is convened, the presiding officer may adjourn the meeting. When any Annual Meeting or special meeting of stockholders is adjourned to another hour, date or place, notice need not be given of the adjourned meeting other than an announcement at the meeting at which the adjournment is taken of the hour, date and place, if any, to which the meeting is adjourned and the means of remote communications, if any, by which stockholders and proxyholders may be deemed to be present in person and vote at such adjourned meeting; provided, however, that if the adjournment is for more than thirty (30) days, a notice of the adjourned meeting shall be given to each stockholder of record entitled to vote at the meeting, or, if after the adjournment a new record date is fixed for the adjourned meeting, the Board of Directors shall fix as the record date for determining stockholders entitled to notice of such adjourned meeting the same or an earlier date as that fixed for determination of stockholders entitled to vote at the adjourned meeting, and shall give notice of the adjourned meeting to each stockholder of record as of the record date so fixed for notice of such adjourned meeting.

**SECTION 5. Quorum.** A majority in voting power of the shares entitled to vote at the meeting, present in person or represented by proxy, shall constitute a quorum at any meeting of stockholders. If less than a quorum is present at a meeting, the holders of voting stock representing a majority of the voting power present at the meeting or the presiding officer may adjourn the meeting from time to time, and the meeting may be held as adjourned without further notice, except as provided in Section 4 of this Article I. At such adjourned meeting at which a quorum is present, any business may be transacted which might have been transacted at the meeting as originally noticed. The stockholders present at a duly constituted meeting may continue to transact business until adjournment, notwithstanding the withdrawal of enough stockholders to leave less than a quorum.

**SECTION 6. Voting and Proxies.** Stockholders shall have one vote for each share of stock entitled to vote owned by them of record according to the stock ledger of the Corporation as of the record date, unless otherwise provided by law or by the Certificate. Stockholders may vote either (i) in person, (ii) by written proxy or (iii) by a transmission permitted by Section 212(c) of the DGCL. Any copy, facsimile telecommunication or other reliable reproduction of the writing or transmission permitted by Section 212(c) of the DGCL may be substituted for or used in lieu of the original writing or transmission for any and all purposes for which the original writing or transmission could be used, provided that such copy, facsimile telecommunication or other reproduction shall be a complete reproduction of the entire original writing or transmission. Proxies shall be filed in accordance with the procedures established for the meeting of stockholders. Except as otherwise limited therein or as otherwise provided by law, proxies authorizing a person to vote at a specific meeting shall entitle the persons authorized thereby to vote at any adjournment or postponement of such meeting, but they shall not be valid after final adjournment of such meeting.

**SECTION 7. Action at Meeting.** When a quorum is present at any meeting of stockholders, any matter before any such meeting (other than an election of a director or directors) shall be decided by a majority of the votes properly cast on such matter, except where a different vote is required by law, by the Certificate, by these Bylaws, by the rules or regulations of any stock exchange applicable to the Corporation, or pursuant to any regulation applicable to the Corporation or its securities, in which case, such different vote shall apply. For purposes of this Section 7, a majority of votes cast shall mean that the number of votes cast "for" a matter exceeds the number of votes cast "against" the matter (with "abstentions" and "broker nonvotes" not counted as a vote cast either "for" or "against" the matter). Any election of directors by stockholders shall be determined by a plurality of the votes properly cast on the election of directors.

SECTION 8. Stockholder Lists. The officer who has charge of the stock ledger shall prepare and make, at least ten (10) days before every Annual Meeting or special 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 meeting date), arranged in alphabetical order, and showing the address of each stockholder and the number of shares registered in the name of each stockholder. Such list shall be open to the examination of any stockholder, for any purpose germane to the meeting at least ten (10) days prior to the meeting (i) on a reasonably accessible electronic network, provided that the information required to gain access to such list is provided with the notice of meeting or (ii) during ordinary business hours at the principal place of business of the Corporation. If the meeting is to be held at a place, then a list of stockholders entitled to vote at the meeting shall be produced and kept at the time and place of the meeting during the whole time thereof and may be examined by any stockholder who is present. If the meeting is to be held solely by means of remote communication, then the list shall also be open to the examination of any stockholder during the whole time of the meeting on a reasonably accessible electronic network, and the information required to access such list shall be provided with the notice of the meeting. Except as otherwise provided by law, the stock ledger shall be the only evidence as to who are the stockholders entitled to examine the list of stockholders required by this Section 8 or to vote in person or by proxy at any meeting of stockholders.

SECTION 9. Conduct of Meeting. 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 of Directors 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 of Directors, the person presiding over any meeting of stockholders (referred to herein as the "presiding officer") 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 and to do all such acts as, in the judgment of the presiding officer, are appropriate for the proper conduct of the meeting. Such rules, regulations or procedures, whether adopted by the Board of Directors or prescribed by the presiding officer, may include, without limitation, the following: (i) the establishment of an agenda or order of business for the meeting; (ii) rules and procedures for maintaining order at the meeting and the safety of those present; (iii) 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 officer shall determine; (iv) restrictions on entry to the meeting after the time fixed for the commencement thereof; and (v) limitations on the time allotted to questions or comments by participants. The presiding officer at any meeting of stockholders, in addition to making any other determinations that may be appropriate to the conduct of 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 the presiding officer should so determine, the presiding officer 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 of Directors or the presiding officer, meetings of stockholders shall not be required to be held in accordance with the rules of parliamentary procedure.

SECTION 10. Inspectors of Elections. The Corporation shall, in advance of any meeting of stockholders, appoint one or more inspectors to act at the meeting and make a written report thereof. The Corporation may designate one or more persons as alternate inspectors to replace any inspector who fails to act. If no inspector or alternate is able to act at a meeting of stockholders, the presiding officer shall appoint one or more inspectors to act at the meeting. Any inspector may, but need not, be an officer, employee or agent of the Corporation. Each inspector, before entering upon the discharge of his or her duties, shall take and sign an oath faithfully to execute the duties of inspector with strict impartiality and according to the best of his or her ability. The inspectors shall perform such duties as are required by the DGCL, including the counting of all votes and ballots. The inspectors may appoint or retain other persons or entities to assist the inspectors in the performance of the duties of the inspectors. The presiding officer may review all determinations made by the inspectors, and in so doing the presiding officer shall be entitled to exercise his or her sole judgment and discretion and he or she shall not be bound by any determinations made by the inspectors. All determinations by the inspectors and, if applicable, the presiding officer, shall be subject to further review by any court of competent jurisdiction.

SECTION 11. Action Without Meeting. Except as otherwise provided in the Certificate, any action required or permitted to be taken by the stockholders of the Corporation must be effected only at a duly called Annual Meeting or special meeting of stockholders of the Corporation or may be effected by written consent.

ARTICLE II  
Directors

SECTION 1. Powers. The business and affairs of the Corporation shall be managed by or under the direction of the Board of Directors except as otherwise provided by the Certificate or required by law.

SECTION 2. Number and Terms. The number of directors of the Corporation shall be fixed solely and exclusively by resolution duly adopted from time to time by the Board of Directors. The directors shall hold office in the manner provided in the Certificate.

SECTION 3. Qualification. No director need be a stockholder of the Corporation.

SECTION 4. Vacancies. Vacancies in the Board of Directors shall be filled in the manner provided in the Certificate.

SECTION 5. Removal. Directors may be removed from office only in the manner provided in the Certificate.

SECTION 6. Resignation. A director may resign at any time by giving written notice, or notice by electronic transmission, to the Chairman of the Board, if one is elected, the President or the Secretary. A resignation shall be effective upon receipt, unless the resignation otherwise provides.

SECTION 7. Regular Meetings. The regular annual meeting of the Board of Directors shall be held, without notice other than this Section 7, on the same date and at the same place as the Annual Meeting following the close of such meeting of stockholders. Other regular meetings of the Board of Directors may be held at such hour, date and place as the Board of Directors may by resolution from time to time determine and publicized among all directors.

SECTION 8. Special Meetings. Special meetings of the Board of Directors may be called, orally or in writing or by electronic transmission, by or at the request of a majority of the directors, the Chairman of the Board, if one is elected, or the President. The person calling any such special meeting of the Board of Directors may fix the hour, date and place thereof.

SECTION 9. Notice of Meetings. Notice of the hour, date and place of all special meetings of the Board of Directors shall be given to each director by the Secretary or an Assistant Secretary, or by the Chairman of the Board, if one is elected, or the President or such other officer designated by the Chairman of the Board, if one is elected, or the President. Notice of any special meeting of the Board of Directors shall be given to each director in person, by telephone, or by facsimile, electronic mail or other form of electronic communication, sent to his or her business or home address, at least twenty-four (24) hours in advance of the meeting, or by written notice mailed to his or her business or home address, at least three (3) business days in advance of the meeting. Such notice shall be deemed to be delivered when hand-delivered to such address, read to such director by telephone, deposited in the mail so addressed, with postage thereon prepaid if mailed, dispatched or transmitted if sent by facsimile transmission or by electronic mail or other form of electronic communications. A written waiver of notice signed, or an electronic waiver given, before or after a meeting by a director and filed with the records of the meeting shall be deemed to be equivalent to notice of the meeting. The attendance of a director at a meeting shall constitute a waiver of notice of such meeting, except where a director attends a meeting for the express purpose of objecting at the beginning of the meeting to the transaction of any business because such meeting is not lawfully called or convened. Except as otherwise required by law, by the Certificate or by these Bylaws, neither the business to be transacted at, nor the purpose of, any meeting of the Board of Directors need be specified in the notice or waiver of notice of such meeting.

SECTION 10. Quorum. At any meeting of the Board of Directors, a majority of the Board of Directors shall constitute a quorum for the transaction of business, but if less than a quorum is present at a meeting, a majority of the directors present may adjourn the meeting from time to time, and the meeting may be held as adjourned without further notice. Any business which might have been transacted at the meeting as originally noticed may be transacted at such adjourned meeting at which a quorum is present.

SECTION 11. Action at Meeting. At any meeting of the Board of Directors at which a quorum is present, the vote of a majority of the directors present shall constitute action by the Board of Directors, unless otherwise required by law, by the Certificate or by these Bylaws.

SECTION 12. Action by Consent. Any action required or permitted to be taken at any meeting of the Board of Directors may be taken without a meeting if all members of the Board of Directors consent thereto in writing or by electronic transmission and the writing or writings or electronic transmission or transmissions are filed with the records of the meetings of the Board of Directors. 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. Such consent shall be treated as a resolution of the Board of Directors for all purposes.

SECTION 13. Manner of Participation. Directors may participate in meetings of the Board of Directors by means of conference telephone or other communications equipment by means of which all directors participating in the meeting can hear each other, and participation in a meeting in accordance herewith shall constitute presence in person at such meeting for purposes of these Bylaws.

SECTION 14. Presiding Director. The Board of Directors shall designate a representative to preside over all meetings of the Board of Directors, provided that if the Board of Directors does not so designate such a presiding director or such designated presiding director is unable to so preside or is absent, then the Chairman of the Board, if one is elected, shall preside over all meetings of the Board of Directors. If both the designated presiding director, if one is so designated, and the Chairman of the Board, if one is elected, are unable to preside or are absent, the Board of Directors shall designate an alternate representative to preside over a meeting of the Board of Directors.

SECTION 15. Committees. The Board of Directors may designate one or more committees, including, without limitation, a Compensation Committee, a Nominating & Corporate Governance Committee and an Audit Committee, and may delegate thereto some or all of its powers except those which by law, by the Certificate or by these Bylaws may not be delegated. Except as the Board of Directors may otherwise determine, any such committee may make rules for the conduct of its business, but unless otherwise provided by the Board of Directors or in such rules, its business shall be conducted so far as possible in the same manner as is provided by these Bylaws for the Board of Directors. All members of such committees shall hold such offices at the pleasure of the Board of Directors. The Board of Directors may abolish any such committee at any time. Any committee to which the Board of Directors delegates any of its powers or duties shall keep records of its meetings and shall report its action to the Board of Directors. The Board of Directors may designate one or more directors as alternate members of any committee, who may replace any absent or disqualified member at any meeting of the committee. In the absence or disqualification of a member of the committee, the member or members thereof present at any meeting and not disqualified from voting, whether or not he, she or they constitute a quorum, may unanimously appoint another member of the Board of Directors to act at the meeting in place of any such absent or disqualified member.

SECTION 16. Compensation of Directors. Directors shall receive such compensation for their services as shall be determined by the Board of Directors, or a designated committee thereof, provided that directors who are serving the Corporation as employees and who receive compensation for their services as such, shall not receive any salary or other compensation for their services as directors of the Corporation.

ARTICLE III  
Officers

SECTION 1. Enumeration. The officers of the Corporation shall consist of a President, a Chief Executive Officer, a Secretary, a Treasurer and such other officers, including, without limitation, a Chairman of the Board of Directors, a Chief Financial Officer, and one or more Vice Presidents (including Executive Vice Presidents or Senior Vice Presidents), Assistant Vice Presidents and Assistant Secretaries, as the Board of Directors may determine.

SECTION 2. Election. At the regular annual meeting of the Board of Directors following the Annual Meeting, the Board of Directors shall elect the President, the Chief Executive Officer, the Secretary and the Treasurer. Other officers may be elected by the Board of Directors at such regular annual meeting of the Board of Directors or at any other regular or special meeting.

SECTION 3. Qualification. No officer need be a stockholder or a director. Any person may occupy more than one office of the Corporation at any time.

SECTION 4. Tenure. Except as otherwise provided by the Certificate or by these Bylaws, each of the officers of the Corporation shall hold office until the regular annual meeting of the Board of Directors following the next Annual Meeting and until his or her successor is elected and qualified or until his or her earlier resignation or removal.

SECTION 5. Resignation. Any officer may resign by delivering his or her written resignation to the Corporation addressed to the President or the Secretary, and such resignation shall be effective upon receipt, unless the resignation otherwise provides.

SECTION 6. Removal. Except as otherwise provided by law, the Board of Directors may remove any officer with or without cause by the affirmative vote of a majority of the directors then in office.

SECTION 7. Absence or Disability. In the event of the absence or disability of any officer, the Board of Directors may designate another officer to act temporarily in place of such absent or disabled officer.

SECTION 8. Vacancies. Any vacancy in any office may be filled for the unexpired portion of the term by the Board of Directors.

SECTION 9. Chairman of the Board. The Chairman of the Board, if one is elected, shall have such powers and shall perform such duties as the Board of Directors may from time to time designate.

SECTION 10. Chief Executive Officer. The Chief Executive Officer shall have such powers and shall perform such duties as the Board of Directors may from time to time designate.

SECTION 11. President. The President shall, subject to the direction of the Board of Directors, have such powers and shall perform such duties as the Board of Directors may from time to time designate.

SECTION 12. Vice Presidents and Assistant Vice Presidents. Any Vice President (including any Executive Vice President or Senior Vice President) and any Assistant Vice President shall have such powers and shall perform such duties as the Board of Directors or the Chief Executive Officer may from time to time designate.

SECTION 13. Chief Financial Officer. The Chief Financial Officer, if one is elected, shall, subject to the direction of the Board of Directors and except as the Board of Directors or the Chief Executive Officer may otherwise provide, have general charge of the financial affairs of the Corporation and shall cause to be kept accurate books of account. He or she shall have such other duties and powers as may be designated from time to time by the Board of Directors or the Chief Executive Officer.



SECTION 14. Secretary and Assistant Secretaries. The Secretary shall record all the proceedings of the meetings of the stockholders and the Board of Directors (including committees of the Board of Directors) in books kept for that purpose. In his or her absence from any such meeting, a temporary secretary chosen at the meeting shall record the proceedings thereof. The Secretary shall have charge of the stock ledger (which may, however, be kept by any transfer or other agent of the Corporation). The Secretary shall have custody of the seal of the Corporation, and the Secretary, or an Assistant Secretary, shall have authority to affix it to any instrument requiring it, and, when so affixed, the seal may be attested by his or her signature or that of an Assistant Secretary. The Secretary shall have such other duties and powers as may be designated from time to time by the Board of Directors or the Chief Executive Officer. In the absence of the Secretary, any Assistant Secretary may perform his or her duties and responsibilities. Any Assistant Secretary shall have such powers and perform such duties as the Board of Directors or the Chief Executive Officer may from time to time designate.

SECTION 15. Treasurer and Assistant Treasurers. The Treasurer shall have custody of all moneys and securities of the Corporation as are authorized and shall render from time to time an account of all such transactions. The Treasurer shall also perform such other duties and have such other powers as are commonly incident to the officer of Treasurer, or as may be designated from time to time by the Board of Directors or the Chief Executive Officer. In the absence of the Treasurer, any Assistant Treasurer may perform his or her duties and responsibilities. Any Assistant Treasurer shall have such powers and perform such duties as the Board of Directors or the Chief Executive Officer may from time to time designate.

SECTION 16. Other Powers and Duties. Subject to these Bylaws and to such limitations as the Board of Directors may from time to time prescribe, the officers of the Corporation shall each have such powers and duties as generally pertain to their respective offices, as well as such powers and duties as from time to time may be conferred by the Board of Directors or the Chief Executive Officer.

#### ARTICLE IV Capital Stock

SECTION 1. Certificates of Stock. The shares of the Corporation shall be represented by certificates in such form as may from time to time be prescribed by the Board of Directors. Such certificate shall be signed by the Chief Executive Officer, the President or a Vice President and by the Chief Financial Officer, the Treasurer, an Assistant Treasurer, the Secretary or an Assistant Secretary. The Corporation seal and the signatures by the Corporation's officers, the transfer agent or the registrar may be facsimiles. In case any officer, transfer agent or registrar who has signed or whose facsimile signature has been placed on such certificate shall have 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 or she were such officer, transfer agent or registrar at the time of its issue. Every certificate for shares of stock which are subject to any restriction on transfer and every certificate issued when the Corporation is authorized to issue more than one class or series of stock shall contain such legend with respect thereto as is required by law. Notwithstanding anything to the contrary provided in these Bylaws, the Board of Directors of the Corporation may provide by resolution or resolutions that some or all of any or all classes or series of its stock shall be uncertificated shares (except that the foregoing shall not apply to shares represented by a certificate until such certificate is surrendered to the Corporation), and by the approval and adoption of these Bylaws the Board of Directors has determined that all classes or series of the Corporation's stock may be uncertificated, whether upon original issuance, re-issuance, or subsequent transfer.

SECTION 2. Transfers. Subject to any restrictions on transfer pursuant to applicable federal or state securities law or as otherwise agreed to in writing and unless otherwise provided by the Board of Directors, shares of stock that are represented by a certificate may be transferred on the books of the Corporation by the surrender to the Corporation or its transfer agent of the certificate theretofore properly endorsed or accompanied by a written assignment or power of attorney properly executed, with transfer stamps (if necessary) affixed, and with such proof of the authenticity of signature as the Corporation or its transfer agent may reasonably require. Shares of stock that are not represented by a certificate may be transferred on the books of the Corporation by submitting to the Corporation or its transfer agent such evidence of transfer and following such other procedures as the Corporation or its transfer agent may require.

SECTION 3. Record Holders. Except as may otherwise be required by law, by the Certificate or by these Bylaws, the Corporation shall be entitled to treat the record holder of stock as shown on its books as the owner of such stock for all purposes, including the payment of dividends and the right to vote with respect thereto, regardless of any transfer, pledge or other disposition of such stock, until the shares have been transferred on the books of the Corporation in accordance with the requirements of these Bylaws.

SECTION 4. Record Date.

(a) In order that the Corporation may determine the stockholders entitled to notice of any meeting of stockholders or any adjournment thereof, the Board of Directors 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 of Directors, 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 of Directors 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 of Directors 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 of Directors, 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 of Directors 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.

(b) 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 of Directors may fix a record date, which record date shall not precede the date upon which the resolution fixing the record date is adopted, and which record date shall not be more than sixty (60) days prior to such 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 of Directors adopts the resolution relating thereto.

SECTION 5. Replacement of Certificates. In case of the alleged loss, destruction or mutilation of a certificate of stock of the Corporation, a duplicate certificate may be issued in place thereof, upon such terms as the Corporation may prescribe.

ARTICLE V  
Indemnification and Advancement

SECTION 1. Right to Indemnification. Each person who was or is made a party or is threatened to be made a party to or is otherwise involved (including, without limitation, as a witness) in any action, suit or proceeding, whether civil, criminal, administrative or investigative, by reason of the fact that he or she is or was a director or an officer of the Corporation or, while a director or officer of the Corporation, is or was serving at the request of the Corporation as a director, officer, or trustee of another corporation, or of a partnership, joint venture, trust or other enterprise, including service with respect to an employee benefit plan (hereinafter an "Indemnitee"), whether the basis of such proceeding is alleged action in an official capacity as a director, officer or trustee or in any other capacity while serving as a director, officer or trustee, shall be indemnified and held harmless by the Corporation to the fullest extent authorized by the DGCL, as the same exists or may hereafter be amended (but, in the case of any such amendment, only to the extent that such amendment permits the Corporation to provide broader indemnification rights than such law permitted the Corporation to provide prior to such amendment), against all expense, liability and loss (including attorneys' fees, judgments, fines, ERISA excise taxes or penalties and amounts paid in settlement) reasonably incurred or suffered by such Indemnitee in connection therewith; provided, however, that, except with respect to proceedings to enforce rights to indemnification or an advancement of expenses or as otherwise required by law, the Corporation shall not be required to indemnify or advance expenses to any such Indemnitee in connection with a proceeding (or part thereof) initiated by such Indemnitee unless such proceeding (or part thereof) was authorized by the Board of Directors.

SECTION 2. Right to Advancement of Expenses. In addition to the right to indemnification conferred in Article V, Section 1 of this Bylaw, an Indemnitee shall also have the right to be paid by the Corporation the expenses (including attorney's fees) incurred in defending any such proceeding in advance of its final disposition (an "advancement of expenses"); provided, however, that, if the DGCL requires, an advancement of expenses incurred by an Indemnitee in his or her capacity as a director or officer (and not in any other capacity in which service was or is rendered by such Indemnitee, including, without limitation, service to an employee benefit plan) shall be made only upon delivery to the Corporation of an undertaking (hereinafter an "undertaking"), by or on behalf of such Indemnitee, to repay all amounts so advanced if it shall ultimately be determined by final judicial decision from which there is no further right to appeal (hereinafter a "final adjudication") that such Indemnitee is not entitled to be indemnified for such expenses under this Section 2 or otherwise.

SECTION 3. Right of Indemnitees to Bring Suit. If a claim under Article V, Section 1 or 2 of this Bylaw is not paid in full by the Corporation within sixty (60) days after a written claim has been received by the Corporation, or if a claim for an advancement of expense is not paid in full within thirty (30) days after a statement or statements requesting such amounts to be advanced has been received by the Corporation, the Indemnitee may at any time thereafter bring suit against the Corporation to recover the unpaid amount of the claim. To the fullest extent permitted by law, if successful in whole or in part in any such suit, or in a suit brought by the Corporation to recover an advancement of expenses pursuant to the terms of an undertaking, the Indemnitee shall also be entitled to be paid the expenses of prosecuting or defending such suit. In (i) any suit brought by the Indemnitee to enforce a right to indemnification hereunder (but not in a suit brought by the Indemnitee to enforce a right to an advancement of expenses) it shall be a defense that, and (ii) in any suit brought by the Corporation to recover an advancement of expenses pursuant to the terms of an undertaking, the Corporation shall be entitled to recover such expenses upon a final adjudication that, the Indemnitee has not met any applicable standard for indemnification set forth in the DGCL. Neither the failure of the Corporation (including its directors who are not parties to such action, a committee of such directors, independent legal counsel, or its stockholders) to have made a determination prior to the commencement of such suit that indemnification of the Indemnitee is proper in the circumstances because the Indemnitee has met the applicable standard of conduct set forth in the DGCL, nor an actual determination by the Corporation (including its directors who are not parties to such action, a committee of such directors, independent legal counsel, or its stockholders) that the Indemnitee has not met such applicable standard of conduct, shall create a presumption that the Indemnitee has not met the applicable standard of conduct or, in the case of such a suit brought by the Indemnitee, be a defense to such suit. In any suit brought by the Indemnitee to enforce a right to indemnification or to an advancement of expenses hereunder, or brought by the Corporation to recover an advancement of expenses pursuant to the terms of an undertaking, the burden of proving that the Indemnitee is not entitled to be indemnified, or to such advancement of expenses, under this Article V or otherwise shall be on the Corporation.

SECTION 4. Indemnification of Employees and Agents of the Corporation. The Corporation may, to the extent authorized from time to time by the Board of Directors, grant rights to indemnification and to the advancement of expenses to any employee or agent of the Corporation to the fullest extent of the provisions of this Article V with respect to the indemnification and advancement of expenses of directors and officers of the Corporation.

SECTION 5. Non-Exclusivity of Rights. The rights to indemnification and to the advancement of expenses conferred in this Article V shall not be exclusive of any other right which any person may have or hereafter acquire under any statute, the Certificate as amended from time to time, these Bylaws, any agreement, any vote of stockholders or disinterested directors or otherwise.

SECTION 6. Insurance. The Corporation may 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 against any expense, liability or loss, whether or not the Corporation would have the power to indemnify such person against such expense, liability or loss under the DGCL.

SECTION 7. Indemnity Agreements. The Corporation may enter into indemnity agreements with any director or officer of the Corporation, with any employee or agent of the Corporation as the Board of Directors may designate and with any officer, director, employee or agent of subsidiaries as the Board of Directors may designate, such indemnity agreements to provide in substance that the Corporation will indemnify such persons as contemplated by this Article V, and to include any other substantive or procedural provisions regarding indemnification as are not inconsistent with the DGCL.

SECTION 8. Nature of Rights. The rights conferred upon Indemnitees in this Article V shall be contract rights and such rights shall continue as to an Indemnitee who has ceased to be a director, officer, employee, agent or trustee and shall inure to the benefit of the Indemnitee's heirs, executors and administrators. Any amendment, alteration or repeal of this Article V that adversely affects any right of an Indemnitee or its successors shall be prospective only and shall not limit, eliminate, or impair any such right with respect to any proceeding involving any occurrence or alleged occurrence of any action or omission to act that took place prior to such amendment, alteration or repeal. The Corporation's obligation, if any, to indemnify or to advance expenses to any Indemnitee who was or is serving at its request as a director, officer, employee or agent of another corporation, partnership, joint venture, trust, enterprise or nonprofit entity shall be reduced by any amount such Indemnitee may collect as indemnification or advancement of expenses from such other corporation, partnership, joint venture, trust, enterprise or non-profit enterprise.

SECTION 9. Severability. If any word, clause, provision or provisions of this Article V shall be held to be invalid, illegal or unenforceable for any reason whatsoever: (i) the validity, legality and enforceability of the remaining provisions of this Article V (including, without limitation, each portion of any section of this Article V containing any such provision held to be invalid, illegal or unenforceable, that is not itself held to be invalid, illegal or unenforceable) shall not in any way be affected or impaired thereby; and (ii) to the fullest extent possible, the provisions of this Article V (including, without limitation, each such portion of any section of this Article V containing any such provision held to be invalid, illegal or unenforceable) shall be construed so as to give effect to the intent manifested by the provision held invalid, illegal or unenforceable.

#### ARTICLE VI Miscellaneous Provisions

SECTION 1. Fiscal Year. The fiscal year of the Corporation shall be determined by the Board of Directors.

SECTION 2. Seal. The Board of Directors shall have power to adopt and alter the seal of the Corporation.

SECTION 3. Execution of Instruments. All deeds, leases, transfers, contracts, bonds, notes and other obligations to be entered into by the Corporation in the ordinary course of its business without director action may be executed on behalf of the Corporation by the Chairman of the Board, if one is elected, the President, the Chief Executive Officer, the Chief Financial Officer, if one is elected, the Secretary, the Treasurer or any other officer, employee or agent of the Corporation as the Board of Directors or appropriate committee of the Board may authorize.

SECTION 4. Voting of Securities. Unless the Board of Directors otherwise provides, Chairman of the Board, if one is elected, the President, the Chief Executive Officer, the Chief Financial Officer, if one is elected, the Secretary or the Treasurer may waive notice of and act on behalf of the Corporation, or appoint another person or persons to act as proxy or attorney in fact for the Corporation with or without discretionary power and/or power of substitution, at any meeting of stockholders or shareholders of any other corporation or organization, any of whose securities are held by the Corporation. The power so conferred upon such officers or other persons shall include, without limitation, the voting of any securities of any other entity held by the Corporation, including executing and delivery written consents with respect to such securities.

SECTION 5. Corporate Records. The original or attested copies of the Certificate, Bylaws and records of all meetings of the incorporators, stockholders and the Board of Directors and the stock transfer books, which shall contain the names of all stockholders, their record addresses and the amount of stock held by each, may be kept outside the State of Delaware and shall be kept at the principal office of the Corporation, at an office of its counsel, at an office of its transfer agent or at such other place or places as may be designated from time to time by the Board of Directors.

SECTION 6. Amendment of Bylaws.

(a) Amendment by Directors. Except as provided otherwise by law, these Bylaws may be amended or repealed by the Board of Directors.

(b) Amendment by Stockholders. These Bylaws may be amended or repealed at any Annual Meeting, or special meeting of stockholders called for such purpose in accordance with these By-Laws, by the affirmative vote of holders of at least a majority in voting power of the outstanding shares entitled to vote on such amendment or repeal, voting together as a single class. Notwithstanding the foregoing, stockholder approval shall not be required unless mandated by the Certificate or other applicable law.

SECTION 7. Notices. If mailed, notice to stockholders shall be deemed given when deposited in the mail, postage prepaid, directed to the stockholder at such stockholder's address as it appears on the records of the Corporation.

Adopted and effective as of December 18, 2013.

NEITHER THE SECURITIES REPRESENTED BY THIS CERTIFICATE NOR THE SECURITIES ISSUABLE UPON THE EXERCISE OF THIS WARRANT HAVE BEEN REGISTERED UNDER THE SECURITIES ACT OF 1933, AS AMENDED (THE "ACT"), OR ANY STATE SECURITIES LAWS, AND NEITHER SUCH SECURITIES NOR ANY INTEREST THEREIN MAY BE OFFERED, SOLD, ASSIGNED OR OTHERWISE TRANSFERRED UNLESS (1) A REGISTRATION STATEMENT WITH RESPECT THERETO IS EFFECTIVE UNDER THE ACT AND ANY APPLICABLE STATE SECURITIES LAWS, OR (2) AN EXEMPTION FROM SUCH REGISTRATION EXISTS AND THE COMPANY RECEIVES AN OPINION OF COUNSEL TO THE HOLDER OF SUCH SECURITIES, WHICH COUNSEL AND OPINION ARE SATISFACTORY TO THE COMPANY, THAT SUCH SECURITIES MAY BE OFFERED, SOLD, PLEDGED, ASSIGNED OR TRANSFERRED IN THE MANNER CONTEMPLATED WITHOUT AN EFFECTIVE REGISTRATION STATEMENT UNDER THE ACT OR APPLICABLE STATE SECURITIES LAWS.

Effective Date: April 11, 2014

Void After: April 11, 2019

**CORBUS PHARMACEUTICALS HOLDINGS, INC.**

## WARRANT TO PURCHASE COMMON STOCK

**Corbus Pharmaceuticals Holdings, Inc.**, a Delaware corporation (the "**Company**"), for value received on April 11, 2014 (the "**Effective Date**"), hereby issues to [ ] (the "**Holder**" or "**Warrant Holder**") this Warrant (the "**Warrant**") to purchase, [ ] shares (each such share as from time to time adjusted as hereinafter provided being a "**Warrant Share**" and all such shares being the "**Warrant Shares**") of the Company's Common Stock (as defined below), at the Exercise Price (as defined below), as adjusted from time to time as provided herein, on or before April 11, 2019 (the "**Expiration Date**"), all subject to the following terms and conditions. This Warrant is one of a series of warrants of like tenor that have been issued in connection with the Company's private offering solely to accredited investors of units in accordance with, and subject to, the terms and conditions described in the Subscription Agreement, attached to the Confidential Private Placement Memorandum of the Company dated March 27, 2014, as the same may be amended and supplemented from time to time (the "**Subscription Agreement**" and the "**Private Placement Memorandum**" respectively).

As used in this Warrant, (i) "**Business Day**" means any day other than Saturday, Sunday or any other day on which commercial banks in the City of New York, New York, are authorized or required by law or executive order to close; (ii) "**Common Stock**" means the common stock of the Company, par value \$0.0001 per share, including any securities issued or issuable with respect thereto or into which or for which such shares may be exchanged for, or converted into, pursuant to any stock dividend, stock split, stock combination, recapitalization, reclassification, reorganization or other similar event; (iii) "**Exercise Price**" means \$1.00 per share of Common Stock, subject to adjustment as provided herein; (iv) "**Trading Day**" means any day on which the Common Stock is traded (or available for trading) on its principal trading market; (v) "**Affiliate**" means any person that, directly or indirectly, through one or more intermediaries, controls, is controlled by, or is under common control with, a person, as such terms are used and construed in Rule 144 promulgated under the Securities Act of 1933, as amended (the "**Securities Act**") and (vi) "**Warrant Holders**" means the holders of Warrants issued pursuant to the Subscription Agreement and Private Placement Memorandum.

1. DURATION AND EXERCISE OF WARRANTS

(a) Exercise Period. The Holder may exercise this Warrant in whole or in part on any Business Day on or before 5:00 P.M., Eastern Time, on the Expiration Date, at which time this Warrant shall become void and of no value.

(b) Exercise Procedures.

(i) While this Warrant remains outstanding and exercisable in accordance with Section 1(a), in addition to the manner set forth in Section 1(b)(ii) below, the Holder may exercise this Warrant in whole or in part at any time and from time to time by:

(A) delivery to the Company of a duly executed copy of the Notice of Exercise attached as **Exhibit A**;

(B) surrender of this Warrant to the Secretary of the Company at its principal offices or at such other office or agency as the Company may specify in writing to the Holder; and

(C) payment of the then-applicable Exercise Price per share multiplied by the number of Warrant Shares being purchased upon exercise of the Warrant (such amount, the "**Aggregate Exercise Price**") made in the form of cash, or by certified check, bank draft or money order payable in lawful money of the United States of America or in the form of a Cashless Exercise to the extent permitted in Section 1(b)(ii) below.

(ii) In addition to the provisions of Section 1(b)(i) above, if any time after the Effectiveness Deadline (as defined in the Registration Rights Agreement of even date herewith, by and among the Company, the Holder and the other subscribers of the Company's securities pursuant to the Subscription Agreements (the "**Registration Rights Agreement**")), a registration statement covering the resale of the Warrant Shares by the Holder is not effective with the Securities and Exchange Commission (the "**SEC**"), the Holder may, in its sole discretion, exercise all or any part of the Warrant in a "cashless" or "net-issue" exercise (a "**Cashless Exercise**") by delivering to the Company (1) the Notice of Exercise and (2) the original Warrant, pursuant to which the Holder shall surrender the right to receive upon exercise of this Warrant, a number of Warrant Shares having a value (as determined below) equal to the Aggregate Exercise Price, in which case, the number of Warrant Shares to be issued to the Holder upon such exercise shall be calculated using the following formula:

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

with: X = the number of Warrant Shares to be issued to the Holder  
Y = the number of Warrant Shares with respect to which the Warrant is being exercised  
A = the fair value per share of Common Stock on the date of exercise of this Warrant  
B = the then-current Exercise Price of the Warrant

Solely for the purposes of this paragraph, “**fair value**” per share of Common Stock shall mean the average Closing Price (as defined below) per share of Common Stock for the twenty (20) trading days immediately preceding the date on which the Notice of Exercise is deemed to have been sent to the Company. “**Closing Price**” means, for any date, the price determined by the first of the following clauses that applies: (a) if the Common Stock is then listed or quoted on the New York Stock Exchange, the NYSE MKT, the NASDAQ Global Select Market, the NASDAQ Global Market or the NASDAQ Capital Market or any other national securities exchange, the closing price per share of the Common Stock for such date (or the nearest preceding date) on the primary eligible market or exchange on which the Common Stock is then listed or quoted; (b) if prices for the Common Stock are then quoted on the OTC Bulletin Board or any tier of the OTC Markets, the closing bid price per share of the Common Stock for such date (or the nearest preceding date) so quoted; or (c) if prices for the Common Stock are then reported in the “Pink Sheets” published by the National Quotation Bureau Incorporated (or a similar organization or agency succeeding to its functions of reporting prices), the most recent closing bid price per share of the Common Stock so reported. If the Common Stock is not publicly traded as set forth above, the “fair value” per share of Common Stock shall be reasonably and in good faith determined by the Board of Directors of the Company as of the date which the Notice of Exercise is deemed to have been sent to the Company.

Notwithstanding the foregoing, provided that a registration statement (including any post-effective amendment) covering the resale of the Warrant Shares by the Holder has (x) been declared effective by the SEC and (y) has been effective for an aggregate period of one year, any Cashless Exercise right hereunder shall thereupon terminate.

For purposes of Rule 144 promulgated under the Securities Act, it is intended, understood and acknowledged that the Warrant Shares issued in a cashless exercise transaction shall be deemed to have been acquired by the Holder, and the holding period for such shares shall be deemed to have commenced, on the date this Warrant was originally issued.



(iii) Upon the exercise of this Warrant in compliance with the provisions of this Section 1(b), and except as limited pursuant to the last paragraph of Section 1(b)(ii), the Company shall promptly issue and cause to be delivered to the Holder a certificate for the Warrant Shares purchased by the Holder. Each exercise of this Warrant shall be effective immediately prior to the close of business on the date (the “**Date of Exercise**”) that the conditions set forth in Section 1(b) have been satisfied, as the case may be. On the first Business Day following the date on which the Company has received each of the Notice of Exercise and the Aggregate Exercise Price (or notice of a Cashless Exercise in accordance with Section 1(b)(ii)) (the “**Exercise Delivery Documents**”), the Company shall transmit an acknowledgment of receipt of the Exercise Delivery Documents to the Company’s transfer agent (the “**Transfer Agent**”). On or before the third Business Day following the date on which the Company has received all of the Exercise Delivery Documents (the “**Share Delivery Date**”), the Company shall (X) provided that the Transfer Agent is participating in The Depository Trust Company (“**DTC**”) Fast Automated Securities Transfer Program, upon the request of the Holder, credit such aggregate number of shares of Common Stock to which the Holder is entitled pursuant to such exercise to the Holder’s or its designee’s balance account with DTC through its Deposit Withdrawal Agent Commission system, or (Y) if the Transfer Agent is not participating in the DTC Fast Automated Securities Transfer Program, issue and dispatch by overnight courier to the address as specified in the Notice of Exercise, a certificate, registered in the Company’s share register in the name of the Holder or its designee, for the number of shares of Common Stock to which the Holder is entitled pursuant to such exercise. Upon delivery of the Exercise Delivery Documents, the Holder shall be deemed for all corporate purposes to have become the holder of record of the Warrant Shares with respect to which this Warrant has been exercised, irrespective of the date of delivery of the certificates evidencing such Warrant Shares.

(iv) If the Company shall fail for any reason or for no reason to issue to the Holder, within three (3) Business Days of receipt of the Exercise Delivery Documents, a certificate for the number of shares of Common Stock to which the Holder is entitled and register such shares of Common Stock on the Company’s share register or to credit the Holder’s balance account with DTC for such number of shares of Common Stock to which the Holder is entitled upon the Holder’s exercise of this Warrant, and if on or after such Business Day the Holder purchases (in an open market transaction or otherwise) shares of Common Stock to deliver in satisfaction of a sale by the Holder of shares of Common Stock issuable upon such exercise that the Holder anticipated receiving from the Company (a “**Buy-In**”), then the Company shall, (A) pay in cash to the Holder the amount, if any, by which (x) the Holder’s total purchase price (including brokerage commissions, if any) for the shares of Common Stock so purchased (the “**Buy-In Amount**”) plus the amount paid by the Holder to the Company as the exercise price for the Warrant Shares exceeds (y) the amount obtained by multiplying (1) the number of Warrant Shares that the Company was required to deliver to the Holder in connection with the exercise at issue times (2) the price at which the sell order giving rise to such purchase obligation was executed, and (B) at the option of the Holder, either reinstate the portion of the Warrant and equivalent number of Warrant Shares for which such exercise was not honored or deliver to the Holder the number of shares of Common Stock that would have been issued had the Company timely complied with its exercise and delivery obligations hereunder. For example, if the Holder purchases Common Stock having a total purchase price of \$11,000 to cover a Buy-In with respect to an attempted exercise of shares of Common Stock, and paid the Company \$5,000 as the exercise price, the Holder’s cash outlay would be a total of \$16,000; and if the aggregate sales price of the shares giving rise to such Buy-In obligation was \$10,000, under clause (A) of the immediately preceding sentence the Company shall be required to pay the Holder \$6,000. The Holder shall provide the Company written notice indicating the amounts payable to the Holder in respect of the Buy-In and, upon request of the Company, evidence of the amount of such loss. Nothing herein shall limit a Holder’s right to pursue any other remedies available to it hereunder, at law or in equity including, without limitation, a decree of specific performance and/or injunctive relief with respect to the Company’s failure to timely deliver certificates representing shares of Common Stock upon exercise of the Warrant as required pursuant to the terms hereof.

(c) Partial Exercise. This Warrant shall be exercisable, either in its entirety or, from time to time, for part only of the number of Warrant Shares referenced by this Warrant. If this Warrant is submitted in connection with any exercise pursuant to Section 1 and the number of Warrant Shares represented by this Warrant submitted for exercise is greater than the actual number of Warrant Shares being acquired upon such an exercise, then the Company shall as soon as practicable and in no event later than five (5) Business Days after any exercise and at its own expense, issue a new Warrant of like tenor representing the right to purchase the number of Warrant Shares purchasable immediately prior to such exercise under this Warrant, less the number of Warrant Shares with respect to which this Warrant is exercised.

(d) Disputes. In the case of a dispute as to the determination of the Exercise Price or the arithmetic calculation of the Warrant Shares, the Company shall promptly issue to the Holder the number of Warrant Shares that are not disputed and resolve such dispute in accordance with Section 16.

## 2. ISSUANCE OF WARRANT SHARES

(a) The Company covenants that all Warrant Shares will, upon issuance in accordance with the terms of this Warrant, be (i) duly authorized, fully paid and non-assessable, and (ii) free from all liens, charges and security interests, with the exception of claims arising through the acts or omissions of any Holder and except as arising from applicable Federal and state securities laws.

(b) The Company shall register this Warrant upon records to be maintained by the Company for that purpose in the name of the record holder of such Warrant from time to time. The Company may deem and treat the registered Holder of this Warrant as the absolute owner thereof for the purpose of any exercise thereof, any distribution to the Holder thereof and for all other purposes.

(c) The Company will not, by amendment of its certificate of incorporation, by-laws or through any reorganization, transfer of assets, consolidation, merger, dissolution, issue or sale of securities or any other voluntary action, avoid or seek to avoid the observance or performance of any of the terms to be observed or performed hereunder by the Company, but will at all times in good faith assist in the carrying out of all the provisions of this Warrant and in the taking of all action necessary or appropriate in order to protect the rights of the Holder to exercise this Warrant, or against impairment of such rights.

3. ADJUSTMENTS OF EXERCISE PRICE, NUMBER AND TYPE OF WARRANT SHARES

(a) The Exercise Price and the number of shares purchasable upon the exercise of this Warrant shall be subject to adjustment from time to time upon the occurrence of certain events described in this Section 3; provided, that notwithstanding the provisions of this Section 3, the Company shall not be required to make any adjustment if and to the extent that such adjustment would require the Company to issue a number of shares of Common Stock in excess of its authorized but unissued shares of Common Stock, less all amounts of Common Stock that have been reserved for issue upon the conversion of all outstanding securities convertible into shares of Common Stock and the exercise of all outstanding options, warrants and other rights exercisable for shares of Common Stock. If the Company does not have the requisite number of authorized but unissued shares of Common Stock to make any adjustment, the Company shall use its commercially best efforts to obtain the necessary stockholder consent to increase the authorized number of shares of Common Stock to make such an adjustment pursuant to this Section 3.

(i) Subdivision or Combination of Stock. In case the Company shall at any time subdivide (whether by way of stock dividend, stock split or otherwise) its outstanding shares of Common Stock into a greater number of shares, the Exercise Price in effect immediately prior to such subdivision shall be proportionately reduced and the number of Warrant Shares shall be proportionately increased, and conversely, in case the outstanding shares of Common Stock of the Company shall be combined (whether by way of stock combination, reverse stock split or otherwise) into a smaller number of shares, the Exercise Price in effect immediately prior to such combination shall be proportionately increased and the number of Warrant Shares shall be proportionately decreased. The Exercise Price and the Warrant Shares, as so adjusted, shall be readjusted in the same manner upon the happening of any successive event or events described in this Section 3(a)(i).

(ii) Dividends in Stock, Property, Reclassification. If at any time, or from time to time, all of the holders of Common Stock (or any shares of stock or other securities at the time receivable upon the exercise of this Warrant) shall have received or become entitled to receive, without payment therefore:

(A) any shares of stock or other securities that are at any time directly or indirectly convertible into or exchangeable for Common Stock, or any rights or options to subscribe for, purchase or otherwise acquire any of the foregoing by way of dividend or other distribution, or

(B) additional stock or other securities or property (including cash) by way of spin-off, split-up, reclassification, combination of shares or similar corporate rearrangement (other than shares of Common Stock issued as a stock split or adjustments in respect of which shall be covered by the terms of Section 3(a)(i) above),

then and in each such case, the Exercise Price and the number of Warrant Shares to be obtained upon exercise of this Warrant shall be adjusted proportionately, and the Holder hereof shall, upon the exercise of this Warrant, be entitled to receive, in addition to the number of shares of Common Stock receivable thereupon, and without payment of any additional consideration therefor, the amount of stock and other securities and property (including cash in the cases referred to above) that such Holder would hold on the date of such exercise had such Holder been the holder of record of such Common Stock as of the date on which holders of Common Stock received or became entitled to receive such shares or all other additional stock and other securities and property. The Exercise Price and the Warrant Shares, as so adjusted, shall be readjusted in the same manner upon the happening of any successive event or events described in this Section 3(a)(ii).

(iii) Reorganization, Reclassification, Consolidation, Merger or Sale. If any recapitalization, reclassification or reorganization of the capital stock of the Company, or any consolidation or merger of the Company with another corporation, or the sale of all or substantially all of its assets or other transaction shall be effected in such a way that holders of Common Stock shall be entitled to receive stock, securities, or other assets or property (an “**Organic Change**”), then, as a condition of such Organic Change, lawful and adequate provisions shall be made by the Company whereby the Holder hereof shall thereafter have the right to purchase and receive (in lieu of the shares of the Common Stock of the Company immediately theretofore purchasable and receivable upon the exercise of the rights represented by this Warrant) such shares of stock, securities or other assets or property as may be issued or payable with respect to or in exchange for a number of outstanding shares of such Common Stock equal to the number of shares of such stock immediately theretofore purchasable and receivable assuming the full exercise of the rights represented by this Warrant. In the event of any Organic Change, appropriate provision shall be made by the Company with respect to the rights and interests of the Holder of this Warrant to the end that the provisions hereof (including, without limitation, provisions for adjustments of the Exercise Price and of the number of shares purchasable and receivable upon the exercise of this Warrant and registration rights) shall thereafter be applicable, in relation to any shares of stock, securities or assets thereafter deliverable upon the exercise hereof. The Company will not affect any such consolidation, merger or sale unless, prior to the consummation thereof, the successor corporation (if other than the Company) resulting from such consolidation or merger or the corporation purchasing such assets shall assume by written instrument reasonably satisfactory in form and substance to the Holder executed and mailed or delivered to the registered Holder hereof at the last address of such Holder appearing on the books of the Company, the obligation to deliver to such Holder such shares of stock, securities or assets as, in accordance with the foregoing provisions, such Holder may be entitled to purchase. If there is an Organic Change, then the Company shall cause to be mailed to the Holder at its last address as it shall appear on the books and records of the Company, at least 10 calendar days before the effective date of the Organic Change, a notice stating the date on which such Organic Change is expected to become effective or close, and the date as of which it is expected that holders of the Common Stock of record shall be entitled to exchange their shares for securities, cash, or other property delivered upon such Organic Change; provided, that the failure to mail such notice or any defect therein or in the mailing thereof shall not affect the validity of the corporate action required to be specified in such notice. The Holder is entitled to exercise this Warrant during the 10-day period commencing on the date of such notice to the effective date of the event triggering such notice. In any event, the successor corporation (if other than the Company) resulting from such consolidation or merger or the corporation purchasing such assets shall be deemed to assume such obligation to deliver to such Holder such shares of stock, securities or assets even in the absence of a written instrument assuming such obligation to the extent such assumption occurs by operation of law.

(b) Certificate as to Adjustments. Upon the occurrence of each adjustment or readjustment pursuant to this Section 3, the Company at its expense shall promptly compute such adjustment or readjustment in accordance with the terms hereof and furnish to each Holder of this Warrant a certificate setting forth such adjustment or readjustment and showing in detail the facts upon which such adjustment or readjustment is based. The Company shall promptly furnish or cause to be furnished to such Holder a like certificate setting forth: (i) such adjustments and readjustments; and (ii) the number of shares and the amount, if any, of other property which at the time would be received upon the exercise of the Warrant.

(c) Certain Events. If any event occurs as to which the other provisions of this Section 3 are not strictly applicable but the lack of any adjustment would not fairly protect the purchase rights of the Holder under this Warrant in accordance with the basic intent and principles of such provisions, or if strictly applicable would not fairly protect the purchase rights of the Holder under this Warrant in accordance with the basic intent and principles of such provisions, then the Company's Board of Directors will, in good faith, make an appropriate adjustment to protect the rights of the Holder; provided, that no such adjustment pursuant to this Section 3(c) will increase the Exercise Price or decrease the number of Warrant Shares as otherwise determined pursuant to this Section 3.

#### 4. REDEMPTION OF WARRANTS

(a) General. Prior to the Expiration Date, the Company shall have the option, subject to the conditions set forth herein, to redeem all of the Warrants then outstanding upon not less than thirty (30) days nor more than sixty (60) days prior written notice to the Warrant Holders at any time provided that, at the time of delivery of such notice (i) there is an effective registration statement covering the resale of the Warrant Shares, and (ii) the closing bid price of the Company's Common Stock for each of the twenty (20) consecutive Trading Days prior to the date of the notice of redemption is at least \$2.00, as proportionately adjusted to reflect any stock splits, stock dividends, combination of shares or like events. It is contemplated that Aegis Capital Corp. will be retained as solicitation agent in the event the Company elects to redeem the Warrants and shall be paid a fee of 5% of the gross proceeds derived from the exercise of the Warrants in such event.

(b) Notice. Notice of redemption will be effective upon mailing in accordance with this Section and such date may be referred to below as the "**Notice Date**." Notice of redemption shall be mailed by first class mail, postage prepaid, by the Company not less than 30 days prior to the date fixed for redemption to the Holders of the Warrants to be redeemed at their last addresses as they shall appear on the registration books. Any notice mailed in the manner herein provided shall be conclusively presumed to have been duly given whether or not the Holder received such notice.

(c) Redemption Date and Redemption Price. The notice of redemption shall state the date set for redemption, which date shall be not less than thirty (30) days, or more than sixty (60) days, from the Notice Date (the "**Redemption Date**"). The Company shall not mail the notice of redemption unless all funds necessary to pay for redemption of the Warrants to be redeemed shall have first been set aside by the Company for the benefit of the Warrant Holders so as to be and continue to be available therefor. The redemption price to be paid to the Warrant Holders will be \$0.0001 for each share of Common Stock of the Company to which the Warrant Holder would then be entitled upon exercise of the Warrant being redeemed, as adjusted from time to time as provided herein (the "**Redemption Price**").

(d) Exercise. Following the Notice Date, the Warrant Holders may exercise their Warrants in accordance with Section 1 of this Warrant between the Notice Date and 5:00 p.m. Eastern Time on the Redemption Date and such exercise shall be timely if the form of election to purchase duly executed and the Warrant Exercise Price for the shares of Common Stock to be purchased are actually received by the Company at its principal offices prior to 5:00 p.m. Eastern Time on the Redemption Date.

(e) Mailing. If any Warrant Holder does not wish to exercise any Warrant being redeemed, he should mail such Warrant to the Company at its principal offices after receiving the notice of redemption. On and after 5:00 p.m. Eastern Time on the Redemption Date, notwithstanding that any Warrant subject to redemption shall not have been surrendered for redemption, the obligation evidenced by all Warrants not surrendered for redemption or effectively exercised shall be deemed no longer outstanding, and all rights with respect thereto shall forthwith cease and terminate, except only the right of the holder of each Warrant subject to redemption to receive the Redemption Price for each share of Common Stock to which he would be entitled if he exercised the Warrant upon receiving notice of redemption of the Warrant subject to redemption held by him.

## 5. TRANSFERS AND EXCHANGES OF WARRANT AND WARRANT SHARES

(a) Registration of Transfers and Exchanges. Subject to Section 5(c), upon the Holder's surrender of this Warrant, with a duly executed copy of the Form of Assignment attached as **Exhibit B**, to the Secretary of the Company at its principal offices or at such other office or agency as the Company may specify in writing to the Holder, the Company shall register the transfer of all or any portion of this Warrant. Upon such registration of transfer, the Company shall issue a new Warrant, in substantially the form of this Warrant, evidencing the acquisition rights transferred to the transferee and a new Warrant, in similar form, evidencing the remaining acquisition rights not transferred, to the Holder requesting the transfer.

(b) Warrant Exchangeable for Different Denominations. The Holder may exchange this Warrant for a new Warrant or Warrants, in substantially the form of this Warrant, evidencing in the aggregate the right to purchase the number of Warrant Shares which may then be purchased hereunder, each of such new Warrants to be dated the date of such exchange and to represent the right to purchase such number of Warrant Shares as shall be designated by the Holder. The Holder shall surrender this Warrant with duly executed instructions regarding such re-certification of this Warrant to the Secretary of the Company at its principal offices or at such other office or agency as the Company may specify in writing to the Holder.

(c) Restrictions on Transfers. This Warrant may not be transferred at any time without (i) registration under the Securities Act or (ii) an exemption from such registration and a written opinion of legal counsel addressed to the Company that the proposed transfer of the Warrant may be effected without registration under the Securities Act, which opinion will be in form and from counsel reasonably satisfactory to the Company.

6. MUTILATED OR MISSING WARRANT CERTIFICATE

If this Warrant is mutilated, lost, stolen or destroyed, upon request by the Holder, the Company will, at its expense, issue, in exchange for and upon cancellation of the mutilated Warrant, or in substitution for the lost, stolen or destroyed Warrant, a new Warrant, in substantially the form of this Warrant, representing the right to acquire the equivalent number of Warrant Shares; provided, that, as a prerequisite to the issuance of a substitute Warrant, the Company may require satisfactory evidence of loss, theft or destruction as well as an indemnity from the Holder of a lost, stolen or destroyed Warrant.

7. PAYMENT OF TAXES

The Company will pay all transfer and stock issuance taxes attributable to the preparation, issuance and delivery of this Warrant and the Warrant Shares (and replacement Warrants) including, without limitation, all documentary and stamp taxes; provided, however, that the Company shall not be required to pay any tax in respect of the transfer of this Warrant, or the issuance or delivery of certificates for Warrant Shares or other securities in respect of the Warrant Shares to any person or entity other than to the Holder.

8. FRACTIONAL WARRANT SHARES

No fractional Warrant Shares shall be issued upon exercise of this Warrant. The Company, in lieu of issuing any fractional Warrant Share, shall round up the number of Warrant Shares issuable to nearest whole share.

9. NO STOCK RIGHTS AND LEGEND

No holder of this Warrant, as such, shall be entitled to vote or be deemed the holder of any other securities of the Company that may at any time be issuable on the exercise hereof, nor shall anything contained herein be construed to confer upon the holder of this Warrant, as such, the rights of a stockholder of the Company or the right to vote for the election of directors or upon any matter submitted to stockholders at any meeting thereof, or give or withhold consent to any corporate action or to receive notice of meetings or other actions affecting stockholders (except as provided herein), or to receive dividends or subscription rights or otherwise (except as provide herein).

Each certificate for Warrant Shares initially issued upon the exercise of this Warrant, and each certificate for Warrant Shares issued to any subsequent transferee of any such certificate, shall be stamped or otherwise imprinted with a legend in substantially the following form:

“THE SECURITIES REPRESENTED BY THIS CERTIFICATE HAVE NOT BEEN REGISTERED UNDER THE SECURITIES ACT OF 1933, AS AMENDED (THE “ACT”), OR ANY STATE SECURITIES LAWS, AND NEITHER SUCH SECURITIES NOR ANY INTEREST THEREIN MAY BE OFFERED, SOLD, PLEDGED, ASSIGNED OR OTHERWISE TRANSFERRED UNLESS (1) A REGISTRATION STATEMENT WITH RESPECT THERETO IS EFFECTIVE UNDER THE ACT AND ANY APPLICABLE STATE SECURITIES LAWS, OR (2) AN EXEMPTION FROM SUCH REGISTRATION EXISTS AND THE COMPANY RECEIVES AN OPINION OF COUNSEL TO THE HOLDER OF SUCH SECURITIES, WHICH COUNSEL AND OPINION ARE REASONABLY SATISFACTORY TO THE COMPANY, THAT SUCH SECURITIES MAY BE OFFERED, SOLD, PLEDGED, ASSIGNED OR TRANSFERRED IN THE MANNER CONTEMPLATED WITHOUT AN EFFECTIVE REGISTRATION STATEMENT UNDER THE ACT OR APPLICABLE STATE SECURITIES LAWS.”

10. REGISTRATION RIGHTS

The Holder shall be entitled to the registration rights as are contained in the Registration Rights Agreement, the provisions of which are deemed incorporated herein by reference.

11. NOTICES

All notices, consents, waivers, and other communications under this Warrant must be in writing and will be deemed given to a party when (a) delivered to the appropriate address by hand or by nationally recognized overnight courier service (costs prepaid); (b) sent by facsimile or e-mail with confirmation of transmission by the transmitting equipment; (c) received or rejected by the addressee, if sent by certified mail, return receipt requested, if to the registered Holder hereof; or (d) seven days after the placement of the notice into the mails (first class postage prepaid), to the Holder at the address, facsimile number, or e-mail address furnished by the registered Holder to the Company in accordance with the Subscription Agreement by and between the Company and the Holder, or if to the Company, to it at One Kendall Square, Bldg 200, Cambridge, MA 02139, Attn: Yuval Cohen, CEO (or to such other address, facsimile number, or e-mail address as the Holder or the Company as a party may designate by notice the other party).

12. SEVERABILITY

If a court of competent jurisdiction holds any provision of this Warrant invalid or unenforceable, the other provisions of this Warrant will remain in full force and effect. Any provision of this Warrant held invalid or unenforceable only in part or degree will remain in full force and effect to the extent not held invalid or unenforceable.

13. BINDING EFFECT

This Warrant shall be binding upon and inure to the sole and exclusive benefit of the Company, its successors and assigns, the registered Holder or Holders from time to time of this Warrant and the Warrant Shares.



14. SURVIVAL OF RIGHTS AND DUTIES

This Warrant shall terminate and be of no further force and effect on the earlier of 5:00 P.M., Eastern Time, on the Expiration Date or the date on which this Warrant has been exercised in full.

15. GOVERNING LAW

This Warrant will be governed by and construed under the laws of the State of New York without regard to conflicts of laws principles that would require the application of any other law.

16. DISPUTE RESOLUTION

In the case of a dispute as to the determination of the Exercise Price or the arithmetic calculation of the Warrant Shares, the Company shall submit the disputed determinations or arithmetic calculations via facsimile within two Business Days of receipt of the Notice of Exercise giving rise to such dispute, as the case may be, to the Holder. If the Holder and the Company are unable to agree upon such determination or calculation of the Exercise Price or the Warrant Shares within three Business Days of such disputed determination or arithmetic calculation being submitted to the Holder, then the Company shall, within two Business Days, submit via facsimile (a) the disputed determination of the Exercise Price to an independent, reputable investment bank selected by the Company and approved by the Holder or (b) the disputed arithmetic calculation of the Warrant Shares to the Company's independent, outside accountant. The Company shall cause at its expense the investment bank or the accountant, as the case may be, to perform the determinations or calculations and notify the Company and the Holder of the results no later than ten (10) Business Days from the time it receives the disputed determinations or calculations. Such investment bank's or accountant's determination or calculation, as the case may be, shall be binding upon all parties absent demonstrable error.

17. NOTICES OF RECORD DATE

Upon (a) any establishment by the Company of a record date of the holders of any class of securities for the purpose of determining the holders thereof who are entitled to receive any dividend or other distribution, or right or option to acquire securities of the Company, or any other right, or (b) any capital reorganization, reclassification, recapitalization, merger or consolidation of the Company with or into any other corporation, any transfer of all or substantially all the assets of the Company, or any voluntary or involuntary dissolution, liquidation or winding up of the Company, or the sale, in a single transaction, of a majority of the Company's voting stock (whether newly issued, or from treasury, or previously issued and then outstanding, or any combination thereof), the Company shall mail to the Holder at least ten (10) Business Days, or such longer period as may be required by law, prior to the record date specified therein, a notice specifying (i) the date established as the record date for the purpose of such dividend, distribution, option or right and a description of such dividend, option or right, (ii) the date on which any such reorganization, reclassification, transfer, consolidation, merger, dissolution, liquidation or winding up, or sale is expected to become effective and (iii) the date, if any, fixed as to when the holders of record of Common Stock shall be entitled to exchange their shares of Common Stock for securities or other property deliverable upon such reorganization, reclassification, transfer, consolidation, merger, dissolution, liquidation or winding up.

18. RESERVATION OF SHARES

The Company shall reserve and keep available out of its authorized but unissued shares of Common Stock for issuance upon the exercise of this Warrant, free from pre-emptive rights, such number of shares of Common Stock for which this Warrant shall from time to time be exercisable. The Company will take all such reasonable action as may be necessary to assure that such Warrant Shares may be issued as provided herein without violation of any applicable law or regulation. Without limiting the generality of the foregoing, the Company covenants that it will use commercially reasonable efforts to take all such action as may be necessary or appropriate in order that the Company may validly and legally issue fully paid and nonassessable Warrant Shares upon the exercise of this Warrant and use commercially reasonable efforts to obtain all such authorizations, exemptions or consents, including but not limited to consents from the Company's stockholders or Board of Directors or any public regulatory body, as may be necessary to enable the Company to perform its obligations under this Warrant.

19. NO THIRD PARTY RIGHTS

This Warrant is not intended, and will not be construed, to create any rights in any parties other than the Company and the Holder, and no person or entity may assert any rights as third-party beneficiary hereunder.

[SIGNATURE PAGE FOLLOWS]

IN WITNESS WHEREOF, the Company has caused this Warrant to be duly executed as of the date first set forth above.

**CORBUS PHARMACEUTICALS HOLDINGS, INC.**

By: \_\_\_\_\_

Name: Yuval Cohen

Title: Chief Executive Officer

EXHIBIT A

NOTICE OF EXERCISE

(To be executed by the Holder of Warrant if such Holder desires to exercise Warrant)

To Corbus Pharmaceuticals Holdings, Inc.:

The undersigned hereby irrevocably elects to exercise this Warrant and to purchase thereunder, \_\_\_\_\_ full shares of Corbus Pharmaceuticals Holdings, Inc common stock issuable upon exercise of the Warrant and delivery of:

(1) \$\_\_\_\_\_ (in cash as provided for in the foregoing Warrant) and any applicable taxes payable by the undersigned pursuant to such Warrant; and

(2) \_\_\_\_\_ shares of Common Stock (pursuant to a Cashless Exercise in accordance with Section 1(b)(ii) of the Warrant) (check here if the undersigned desires to deliver an unspecified number of shares equal the number sufficient to effect a Cashless Exercise [\_\_\_]).

The undersigned requests that certificates for such shares be issued in the name of:

\_\_\_\_\_  
(Please print name, address and social security or federal employer  
identification number (if applicable))

If the shares issuable upon this exercise of the Warrant are not all of the Warrant Shares which the Holder is entitled to acquire upon the exercise of the Warrant, the undersigned requests that a new Warrant evidencing the rights not so exercised be issued in the name of and delivered to:

\_\_\_\_\_  
(Please print name, address and social security or federal employer  
identification number (if applicable))

Name of Holder (print): \_\_\_\_\_  
(Signature): \_\_\_\_\_  
(By:): \_\_\_\_\_  
(Title:): \_\_\_\_\_  
Dated: \_\_\_\_\_

EXHIBIT B

FORM OF ASSIGNMENT

FOR VALUE RECEIVED, \_\_\_\_\_ hereby sells, assigns and transfers to each assignee set forth below all of the rights of the undersigned under the Warrant (as defined in and evidenced by the attached Warrant) to acquire the number of Warrant Shares set opposite the name of such assignee below and in and to the foregoing Warrant with respect to said acquisition rights and the shares issuable upon exercise of the Warrant:

Name of Assignee	Address	Number of Shares

If the total of the Warrant Shares are not all of the Warrant Shares evidenced by the foregoing Warrant, the undersigned requests that a new Warrant evidencing the right to acquire the Warrant Shares not so assigned be issued in the name of and delivered to the undersigned.

Name of Holder (print): \_\_\_\_\_  
(Signature): \_\_\_\_\_  
(By:): \_\_\_\_\_  
(Title:): \_\_\_\_\_  
Dated: \_\_\_\_\_

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NEITHER THE SECURITIES REPRESENTED BY THIS CERTIFICATE NOR THE SECURITIES ISSUABLE UPON THE EXERCISE OF THIS WARRANT HAVE BEEN REGISTERED UNDER THE SECURITIES ACT OF 1933, AS AMENDED (THE "ACT"), OR ANY STATE SECURITIES LAWS, AND NEITHER SUCH SECURITIES NOR ANY INTEREST THEREIN MAY BE OFFERED, SOLD, ASSIGNED OR OTHERWISE TRANSFERRED UNLESS (1) A REGISTRATION STATEMENT WITH RESPECT THERETO IS EFFECTIVE UNDER THE ACT AND ANY APPLICABLE STATE SECURITIES LAWS, OR (2) AN EXEMPTION FROM SUCH REGISTRATION EXISTS AND THE COMPANY RECEIVES AN OPINION OF COUNSEL TO THE HOLDER OF SUCH SECURITIES, WHICH COUNSEL AND OPINION ARE SATISFACTORY TO THE COMPANY, THAT SUCH SECURITIES MAY BE OFFERED, SOLD, PLEDGED, ASSIGNED OR TRANSFERRED IN THE MANNER CONTEMPLATED WITHOUT AN EFFECTIVE REGISTRATION STATEMENT UNDER THE ACT OR APPLICABLE STATE SECURITIES LAWS.

Effective Date: April 11, 2014

Void After: April 11, 2019

**CORBUS PHARMACEUTICALS HOLDINGS, INC.**

## WARRANT TO PURCHASE COMMON STOCK

**Corbus Pharmaceuticals Holdings, Inc.**, a Delaware corporation (the "**Company**"), for value received on April 11, 2014 (the "**Effective Date**"), hereby issues to [ ] (the "**Holder**" or "**Warrant Holder**") this Warrant (the "**Warrant**") to purchase, [ ] shares (each such share as from time to time adjusted as hereinafter provided being a "**Warrant Share**" and all such shares being the "**Warrant Shares**") of the Company's Common Stock (as defined below), at the Exercise Price (as defined below), as adjusted from time to time as provided herein, on or before April 11, 2019 (the "**Expiration Date**"), all subject to the following terms and conditions. This Warrant is one of a series of warrants of like tenor that have been issued in connection with the Company's private offering solely to accredited investors of units in accordance with, and subject to, the terms and conditions described in the Subscription Agreement, attached to the Confidential Private Placement Memorandum of the Company dated March 27, 2014, as the same may be amended and supplemented from time to time (the "**Subscription Agreement**" and the "**Private Placement Memorandum**" respectively).

As used in this Warrant, (i) "**Business Day**" means any day other than Saturday, Sunday or any other day on which commercial banks in the City of New York, New York, are authorized or required by law or executive order to close; (ii) "**Common Stock**" means the common stock of the Company, par value \$0.0001 per share, including any securities issued or issuable with respect thereto or into which or for which such shares may be exchanged for, or converted into, pursuant to any stock dividend, stock split, stock combination, recapitalization, reclassification, reorganization or other similar event; (iii) "**Exercise Price**" means \$0.60 per share of Common Stock, subject to adjustment as provided herein; (iv) "**Trading Day**" means any day on which the Common Stock is traded (or available for trading) on its principal trading market; (v) "**Affiliate**" means any person that, directly or indirectly, through one or more intermediaries, controls, is controlled by, or is under common control with, a person, as such terms are used and construed in Rule 144 promulgated under the Securities Act of 1933, as amended (the "**Securities Act**") and (vi) "**Warrant Holders**" means the holders of Warrants issued pursuant to the Subscription Agreement and Private Placement Memorandum.

1. DURATION AND EXERCISE OF WARRANTS

(a) Exercise Period. The Holder may exercise this Warrant in whole or in part on any Business Day on or before 5:00 P.M., Eastern Time, on the Expiration Date, at which time this Warrant shall become void and of no value.

(b) Exercise Procedures.

(i) While this Warrant remains outstanding and exercisable in accordance with Section 1(a), in addition to the manner set forth in Section 1(b)(ii) below, the Holder may exercise this Warrant in whole or in part at any time and from time to time by:

(A) delivery to the Company of a duly executed copy of the Notice of Exercise attached as **Exhibit A**;

(B) surrender of this Warrant to the Secretary of the Company at its principal offices or at such other office or agency as the Company may specify in writing to the Holder; and

(C) payment of the then-applicable Exercise Price per share multiplied by the number of Warrant Shares being purchased upon exercise of the Warrant (such amount, the “**Aggregate Exercise Price**”) made in the form of cash, or by certified check, bank draft or money order payable in lawful money of the United States of America or in the form of a Cashless Exercise to the extent permitted in Section 1(b)(ii) below.

(ii) In addition to the provisions of Section 1(b)(i) above, if any time after the Effectiveness Deadline (as defined in the Registration Rights Agreement of even date herewith, by and among the Company, the Holder and the other subscribers of the Company’s securities pursuant to the Subscription Agreements (the “**Registration Rights Agreement**”)), a registration statement covering the resale of the Warrant Shares by the Holder is not effective with the Securities and Exchange Commission (the “**SEC**”), the Holder may, in its sole discretion, exercise all or any part of the Warrant in a “cashless” or “net-issue” exercise (a “**Cashless Exercise**”) by delivering to the Company (1) the Notice of Exercise and (2) the original Warrant, pursuant to which the Holder shall surrender the right to receive upon exercise of this Warrant, a number of Warrant Shares having a value (as determined below) equal to the Aggregate Exercise Price, in which case, the number of Warrant Shares to be issued to the Holder upon such exercise shall be calculated using the following formula:

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

with: X = the number of Warrant Shares to be issued to the Holder  
Y = the number of Warrant Shares with respect to which the Warrant is being exercised  
A = the fair value per share of Common Stock on the date of exercise of this Warrant  
B = the then-current Exercise Price of the Warrant

Solely for the purposes of this paragraph, “**fair value**” per share of Common Stock shall mean the average Closing Price (as defined below) per share of Common Stock for the twenty (20) trading days immediately preceding the date on which the Notice of Exercise is deemed to have been sent to the Company. “**Closing Price**” means, for any date, the price determined by the first of the following clauses that applies: (a) if the Common Stock is then listed or quoted on the New York Stock Exchange, the NYSE MKT, the NASDAQ Global Select Market, the NASDAQ Global Market or the NASDAQ Capital Market or any other national securities exchange, the closing price per share of the Common Stock for such date (or the nearest preceding date) on the primary eligible market or exchange on which the Common Stock is then listed or quoted; (b) if prices for the Common Stock are then quoted on the OTC Bulletin Board or any tier of the OTC Markets, the closing bid price per share of the Common Stock for such date (or the nearest preceding date) so quoted; or (c) if prices for the Common Stock are then reported in the “Pink Sheets” published by the National Quotation Bureau Incorporated (or a similar organization or agency succeeding to its functions of reporting prices), the most recent closing bid price per share of the Common Stock so reported. If the Common Stock is not publicly traded as set forth above, the “fair value” per share of Common Stock shall be reasonably and in good faith determined by the Board of Directors of the Company as of the date which the Notice of Exercise is deemed to have been sent to the Company.

Notwithstanding the foregoing, provided that a registration statement (including any post-effective amendment) covering the resale of the Warrant Shares by the Holder has (x) been declared effective by the SEC and (y) has been effective for an aggregate period of one year, any Cashless Exercise right hereunder shall thereupon terminate.

For purposes of Rule 144 promulgated under the Securities Act, it is intended, understood and acknowledged that the Warrant Shares issued in a cashless exercise transaction shall be deemed to have been acquired by the Holder, and the holding period for such shares shall be deemed to have commenced, on the date this Warrant was originally issued.



(iii) Upon the exercise of this Warrant in compliance with the provisions of this Section 1(b), and except as limited pursuant to the last paragraph of Section 1(b)(ii), the Company shall promptly issue and cause to be delivered to the Holder a certificate for the Warrant Shares purchased by the Holder. Each exercise of this Warrant shall be effective immediately prior to the close of business on the date (the “**Date of Exercise**”) that the conditions set forth in Section 1(b) have been satisfied, as the case may be. On the first Business Day following the date on which the Company has received each of the Notice of Exercise and the Aggregate Exercise Price (or notice of a Cashless Exercise in accordance with Section 1(b)(ii)) (the “**Exercise Delivery Documents**”), the Company shall transmit an acknowledgment of receipt of the Exercise Delivery Documents to the Company’s transfer agent (the “**Transfer Agent**”). On or before the third Business Day following the date on which the Company has received all of the Exercise Delivery Documents (the “**Share Delivery Date**”), the Company shall (X) provided that the Transfer Agent is participating in The Depository Trust Company (“**DTC**”) Fast Automated Securities Transfer Program, upon the request of the Holder, credit such aggregate number of shares of Common Stock to which the Holder is entitled pursuant to such exercise to the Holder’s or its designee’s balance account with DTC through its Deposit Withdrawal Agent Commission system, or (Y) if the Transfer Agent is not participating in the DTC Fast Automated Securities Transfer Program, issue and dispatch by overnight courier to the address as specified in the Notice of Exercise, a certificate, registered in the Company’s share register in the name of the Holder or its designee, for the number of shares of Common Stock to which the Holder is entitled pursuant to such exercise. Upon delivery of the Exercise Delivery Documents, the Holder shall be deemed for all corporate purposes to have become the holder of record of the Warrant Shares with respect to which this Warrant has been exercised, irrespective of the date of delivery of the certificates evidencing such Warrant Shares.

(iv) If the Company shall fail for any reason or for no reason to issue to the Holder, within three (3) Business Days of receipt of the Exercise Delivery Documents, a certificate for the number of shares of Common Stock to which the Holder is entitled and register such shares of Common Stock on the Company’s share register or to credit the Holder’s balance account with DTC for such number of shares of Common Stock to which the Holder is entitled upon the Holder’s exercise of this Warrant, and if on or after such Business Day the Holder purchases (in an open market transaction or otherwise) shares of Common Stock to deliver in satisfaction of a sale by the Holder of shares of Common Stock issuable upon such exercise that the Holder anticipated receiving from the Company (a “**Buy-In**”), then the Company shall, (A) pay in cash to the Holder the amount, if any, by which (x) the Holder’s total purchase price (including brokerage commissions, if any) for the shares of Common Stock so purchased (the “**Buy-In Amount**”) plus the amount paid by the Holder to the Company as the exercise price for the Warrant Shares exceeds (y) the amount obtained by multiplying (1) the number of Warrant Shares that the Company was required to deliver to the Holder in connection with the exercise at issue times (2) the price at which the sell order giving rise to such purchase obligation was executed, and (B) at the option of the Holder, either reinstate the portion of the Warrant and equivalent number of Warrant Shares for which such exercise was not honored or deliver to the Holder the number of shares of Common Stock that would have been issued had the Company timely complied with its exercise and delivery obligations hereunder. For example, if the Holder purchases Common Stock having a total purchase price of \$11,000 to cover a Buy-In with respect to an attempted exercise of shares of Common Stock, and paid the Company \$5,000 as the exercise price, the Holder’s cash outlay would be a total of \$16,000; and if the aggregate sales price of the shares giving rise to such Buy-In obligation was \$10,000, under clause (A) of the immediately preceding sentence the Company shall be required to pay the Holder \$6,000. The Holder shall provide the Company written notice indicating the amounts payable to the Holder in respect of the Buy-In and, upon request of the Company, evidence of the amount of such loss. Nothing herein shall limit a Holder’s right to pursue any other remedies available to it hereunder, at law or in equity including, without limitation, a decree of specific performance and/or injunctive relief with respect to the Company’s failure to timely deliver certificates representing shares of Common Stock upon exercise of the Warrant as required pursuant to the terms hereof.

(c) Partial Exercise. This Warrant shall be exercisable, either in its entirety or, from time to time, for part only of the number of Warrant Shares referenced by this Warrant. If this Warrant is submitted in connection with any exercise pursuant to Section 1 and the number of Warrant Shares represented by this Warrant submitted for exercise is greater than the actual number of Warrant Shares being acquired upon such an exercise, then the Company shall as soon as practicable and in no event later than five (5) Business Days after any exercise and at its own expense, issue a new Warrant of like tenor representing the right to purchase the number of Warrant Shares purchasable immediately prior to such exercise under this Warrant, less the number of Warrant Shares with respect to which this Warrant is exercised.

(d) Disputes. In the case of a dispute as to the determination of the Exercise Price or the arithmetic calculation of the Warrant Shares, the Company shall promptly issue to the Holder the number of Warrant Shares that are not disputed and resolve such dispute in accordance with Section 16.

## 2. ISSUANCE OF WARRANT SHARES

(a) The Company covenants that all Warrant Shares will, upon issuance in accordance with the terms of this Warrant, be (i) duly authorized, fully paid and non-assessable, and (ii) free from all liens, charges and security interests, with the exception of claims arising through the acts or omissions of any Holder and except as arising from applicable Federal and state securities laws.

(b) The Company shall register this Warrant upon records to be maintained by the Company for that purpose in the name of the record holder of such Warrant from time to time. The Company may deem and treat the registered Holder of this Warrant as the absolute owner thereof for the purpose of any exercise thereof, any distribution to the Holder thereof and for all other purposes.

(c) The Company will not, by amendment of its certificate of incorporation, by-laws or through any reorganization, transfer of assets, consolidation, merger, dissolution, issue or sale of securities or any other voluntary action, avoid or seek to avoid the observance or performance of any of the terms to be observed or performed hereunder by the Company, but will at all times in good faith assist in the carrying out of all the provisions of this Warrant and in the taking of all action necessary or appropriate in order to protect the rights of the Holder to exercise this Warrant, or against impairment of such rights.

3. ADJUSTMENTS OF EXERCISE PRICE, NUMBER AND TYPE OF WARRANT SHARES

(a) The Exercise Price and the number of shares purchasable upon the exercise of this Warrant shall be subject to adjustment from time to time upon the occurrence of certain events described in this Section 3; provided, that notwithstanding the provisions of this Section 3, the Company shall not be required to make any adjustment if and to the extent that such adjustment would require the Company to issue a number of shares of Common Stock in excess of its authorized but unissued shares of Common Stock, less all amounts of Common Stock that have been reserved for issue upon the conversion of all outstanding securities convertible into shares of Common Stock and the exercise of all outstanding options, warrants and other rights exercisable for shares of Common Stock. If the Company does not have the requisite number of authorized but unissued shares of Common Stock to make any adjustment, the Company shall use its commercially best efforts to obtain the necessary stockholder consent to increase the authorized number of shares of Common Stock to make such an adjustment pursuant to this Section 3.

(i) Subdivision or Combination of Stock. In case the Company shall at any time subdivide (whether by way of stock dividend, stock split or otherwise) its outstanding shares of Common Stock into a greater number of shares, the Exercise Price in effect immediately prior to such subdivision shall be proportionately reduced and the number of Warrant Shares shall be proportionately increased, and conversely, in case the outstanding shares of Common Stock of the Company shall be combined (whether by way of stock combination, reverse stock split or otherwise) into a smaller number of shares, the Exercise Price in effect immediately prior to such combination shall be proportionately increased and the number of Warrant Shares shall be proportionately decreased. The Exercise Price and the Warrant Shares, as so adjusted, shall be readjusted in the same manner upon the happening of any successive event or events described in this Section 3(a)(i).

(ii) Dividends in Stock, Property, Reclassification. If at any time, or from time to time, all of the holders of Common Stock (or any shares of stock or other securities at the time receivable upon the exercise of this Warrant) shall have received or become entitled to receive, without payment therefore:

(A) any shares of stock or other securities that are at any time directly or indirectly convertible into or exchangeable for Common Stock, or any rights or options to subscribe for, purchase or otherwise acquire any of the foregoing by way of dividend or other distribution, or

(B) additional stock or other securities or property (including cash) by way of spin-off, split-up, reclassification, combination of shares or similar corporate rearrangement (other than shares of Common Stock issued as a stock split or adjustments in respect of which shall be covered by the terms of Section 3(a)(i) above),

then and in each such case, the Exercise Price and the number of Warrant Shares to be obtained upon exercise of this Warrant shall be adjusted proportionately, and the Holder hereof shall, upon the exercise of this Warrant, be entitled to receive, in addition to the number of shares of Common Stock receivable thereupon, and without payment of any additional consideration therefor, the amount of stock and other securities and property (including cash in the cases referred to above) that such Holder would hold on the date of such exercise had such Holder been the holder of record of such Common Stock as of the date on which holders of Common Stock received or became entitled to receive such shares or all other additional stock and other securities and property. The Exercise Price and the Warrant Shares, as so adjusted, shall be readjusted in the same manner upon the happening of any successive event or events described in this Section 3(a)(ii).

(iii) Reorganization, Reclassification, Consolidation, Merger or Sale. If any recapitalization, reclassification or reorganization of the capital stock of the Company, or any consolidation or merger of the Company with another corporation, or the sale of all or substantially all of its assets or other transaction shall be effected in such a way that holders of Common Stock shall be entitled to receive stock, securities, or other assets or property (an “**Organic Change**”), then, as a condition of such Organic Change, lawful and adequate provisions shall be made by the Company whereby the Holder hereof shall thereafter have the right to purchase and receive (in lieu of the shares of the Common Stock of the Company immediately theretofore purchasable and receivable upon the exercise of the rights represented by this Warrant) such shares of stock, securities or other assets or property as may be issued or payable with respect to or in exchange for a number of outstanding shares of such Common Stock equal to the number of shares of such stock immediately theretofore purchasable and receivable assuming the full exercise of the rights represented by this Warrant. In the event of any Organic Change, appropriate provision shall be made by the Company with respect to the rights and interests of the Holder of this Warrant to the end that the provisions hereof (including, without limitation, provisions for adjustments of the Exercise Price and of the number of shares purchasable and receivable upon the exercise of this Warrant and registration rights) shall thereafter be applicable, in relation to any shares of stock, securities or assets thereafter deliverable upon the exercise hereof. The Company will not affect any such consolidation, merger or sale unless, prior to the consummation thereof, the successor corporation (if other than the Company) resulting from such consolidation or merger or the corporation purchasing such assets shall assume by written instrument reasonably satisfactory in form and substance to the Holder executed and mailed or delivered to the registered Holder hereof at the last address of such Holder appearing on the books of the Company, the obligation to deliver to such Holder such shares of stock, securities or assets as, in accordance with the foregoing provisions, such Holder may be entitled to purchase. If there is an Organic Change, then the Company shall cause to be mailed to the Holder at its last address as it shall appear on the books and records of the Company, at least 10 calendar days before the effective date of the Organic Change, a notice stating the date on which such Organic Change is expected to become effective or close, and the date as of which it is expected that holders of the Common Stock of record shall be entitled to exchange their shares for securities, cash, or other property delivered upon such Organic Change; provided, that the failure to mail such notice or any defect therein or in the mailing thereof shall not affect the validity of the corporate action required to be specified in such notice. The Holder is entitled to exercise this Warrant during the 10-day period commencing on the date of such notice to the effective date of the event triggering such notice. In any event, the successor corporation (if other than the Company) resulting from such consolidation or merger or the corporation purchasing such assets shall be deemed to assume such obligation to deliver to such Holder such shares of stock, securities or assets even in the absence of a written instrument assuming such obligation to the extent such assumption occurs by operation of law.

(b) Certificate as to Adjustments. Upon the occurrence of each adjustment or readjustment pursuant to this Section 3, the Company at its expense shall promptly compute such adjustment or readjustment in accordance with the terms hereof and furnish to each Holder of this Warrant a certificate setting forth such adjustment or readjustment and showing in detail the facts upon which such adjustment or readjustment is based. The Company shall promptly furnish or cause to be furnished to such Holder a like certificate setting forth: (i) such adjustments and readjustments; and (ii) the number of shares and the amount, if any, of other property which at the time would be received upon the exercise of the Warrant.

(c) Certain Events. If any event occurs as to which the other provisions of this Section 3 are not strictly applicable but the lack of any adjustment would not fairly protect the purchase rights of the Holder under this Warrant in accordance with the basic intent and principles of such provisions, or if strictly applicable would not fairly protect the purchase rights of the Holder under this Warrant in accordance with the basic intent and principles of such provisions, then the Company's Board of Directors will, in good faith, make an appropriate adjustment to protect the rights of the Holder; provided, that no such adjustment pursuant to this Section 3(c) will increase the Exercise Price or decrease the number of Warrant Shares as otherwise determined pursuant to this Section 3.

#### 4. REDEMPTION OF WARRANTS

(a) General. Prior to the Expiration Date, the Company shall have the option, subject to the conditions set forth herein, to redeem all of the Warrants then outstanding upon not less than thirty (30) days nor more than sixty (60) days prior written notice to the Warrant Holders at any time provided that, at the time of delivery of such notice (i) there is an effective registration statement covering the resale of the Warrant Shares, and (ii) the closing bid price of the Company's Common Stock for each of the twenty (20) consecutive Trading Days prior to the date of the notice of redemption is at least \$2.00, as proportionately adjusted to reflect any stock splits, stock dividends, combination of shares or like events. It is contemplated that Aegis Capital Corp. will be retained as solicitation agent in the event the Company elects to redeem the Warrants and shall be paid a fee of 5% of the gross proceeds derived from the exercise of the Warrants in such event.

(b) Notice. Notice of redemption will be effective upon mailing in accordance with this Section and such date may be referred to below as the "**Notice Date**." Notice of redemption shall be mailed by first class mail, postage prepaid, by the Company not less than 30 days prior to the date fixed for redemption to the Holders of the Warrants to be redeemed at their last addresses as they shall appear on the registration books. Any notice mailed in the manner herein provided shall be conclusively presumed to have been duly given whether or not the Holder received such notice.

(c) Redemption Date and Redemption Price. The notice of redemption shall state the date set for redemption, which date shall be not less than thirty (30) days, or more than sixty (60) days, from the Notice Date (the "**Redemption Date**"). The Company shall not mail the notice of redemption unless all funds necessary to pay for redemption of the Warrants to be redeemed shall have first been set aside by the Company for the benefit of the Warrant Holders so as to be and continue to be available therefor. The redemption price to be paid to the Warrant Holders will be \$0.0001 for each share of Common Stock of the Company to which the Warrant Holder would then be entitled upon exercise of the Warrant being redeemed, as adjusted from time to time as provided herein (the "**Redemption Price**").

(d) Exercise. Following the Notice Date, the Warrant Holders may exercise their Warrants in accordance with Section 1 of this Warrant between the Notice Date and 5:00 p.m. Eastern Time on the Redemption Date and such exercise shall be timely if the form of election to purchase duly executed and the Warrant Exercise Price for the shares of Common Stock to be purchased are actually received by the Company at its principal offices prior to 5:00 p.m. Eastern Time on the Redemption Date.

(e) Mailing. If any Warrant Holder does not wish to exercise any Warrant being redeemed, he should mail such Warrant to the Company at its principal offices after receiving the notice of redemption. On and after 5:00 p.m. Eastern Time on the Redemption Date, notwithstanding that any Warrant subject to redemption shall not have been surrendered for redemption, the obligation evidenced by all Warrants not surrendered for redemption or effectively exercised shall be deemed no longer outstanding, and all rights with respect thereto shall forthwith cease and terminate, except only the right of the holder of each Warrant subject to redemption to receive the Redemption Price for each share of Common Stock to which he would be entitled if he exercised the Warrant upon receiving notice of redemption of the Warrant subject to redemption held by him.

## 5. TRANSFERS AND EXCHANGES OF WARRANT AND WARRANT SHARES

(a) Registration of Transfers and Exchanges. Subject to Section 5(c), upon the Holder's surrender of this Warrant, with a duly executed copy of the Form of Assignment attached as **Exhibit B**, to the Secretary of the Company at its principal offices or at such other office or agency as the Company may specify in writing to the Holder, the Company shall register the transfer of all or any portion of this Warrant. Upon such registration of transfer, the Company shall issue a new Warrant, in substantially the form of this Warrant, evidencing the acquisition rights transferred to the transferee and a new Warrant, in similar form, evidencing the remaining acquisition rights not transferred, to the Holder requesting the transfer.

(b) Warrant Exchangeable for Different Denominations. The Holder may exchange this Warrant for a new Warrant or Warrants, in substantially the form of this Warrant, evidencing in the aggregate the right to purchase the number of Warrant Shares which may then be purchased hereunder, each of such new Warrants to be dated the date of such exchange and to represent the right to purchase such number of Warrant Shares as shall be designated by the Holder. The Holder shall surrender this Warrant with duly executed instructions regarding such re-certification of this Warrant to the Secretary of the Company at its principal offices or at such other office or agency as the Company may specify in writing to the Holder.

(c) Restrictions on Transfers. This Warrant may not be transferred at any time without (i) registration under the Securities Act or (ii) an exemption from such registration and a written opinion of legal counsel addressed to the Company that the proposed transfer of the Warrant may be effected without registration under the Securities Act, which opinion will be in form and from counsel reasonably satisfactory to the Company.

6. MUTILATED OR MISSING WARRANT CERTIFICATE

If this Warrant is mutilated, lost, stolen or destroyed, upon request by the Holder, the Company will, at its expense, issue, in exchange for and upon cancellation of the mutilated Warrant, or in substitution for the lost, stolen or destroyed Warrant, a new Warrant, in substantially the form of this Warrant, representing the right to acquire the equivalent number of Warrant Shares; provided, that, as a prerequisite to the issuance of a substitute Warrant, the Company may require satisfactory evidence of loss, theft or destruction as well as an indemnity from the Holder of a lost, stolen or destroyed Warrant.

7. PAYMENT OF TAXES

The Company will pay all transfer and stock issuance taxes attributable to the preparation, issuance and delivery of this Warrant and the Warrant Shares (and replacement Warrants) including, without limitation, all documentary and stamp taxes; provided, however, that the Company shall not be required to pay any tax in respect of the transfer of this Warrant, or the issuance or delivery of certificates for Warrant Shares or other securities in respect of the Warrant Shares to any person or entity other than to the Holder.

8. FRACTIONAL WARRANT SHARES

No fractional Warrant Shares shall be issued upon exercise of this Warrant. The Company, in lieu of issuing any fractional Warrant Share, shall round up the number of Warrant Shares issuable to nearest whole share.

9. NO STOCK RIGHTS AND LEGEND

No holder of this Warrant, as such, shall be entitled to vote or be deemed the holder of any other securities of the Company that may at any time be issuable on the exercise hereof, nor shall anything contained herein be construed to confer upon the holder of this Warrant, as such, the rights of a stockholder of the Company or the right to vote for the election of directors or upon any matter submitted to stockholders at any meeting thereof, or give or withhold consent to any corporate action or to receive notice of meetings or other actions affecting stockholders (except as provided herein), or to receive dividends or subscription rights or otherwise (except as provide herein).

Each certificate for Warrant Shares initially issued upon the exercise of this Warrant, and each certificate for Warrant Shares issued to any subsequent transferee of any such certificate, shall be stamped or otherwise imprinted with a legend in substantially the following form:

“THE SECURITIES REPRESENTED BY THIS CERTIFICATE HAVE NOT BEEN REGISTERED UNDER THE SECURITIES ACT OF 1933, AS AMENDED (THE “ACT”), OR ANY STATE SECURITIES LAWS, AND NEITHER SUCH SECURITIES NOR ANY INTEREST THEREIN MAY BE OFFERED, SOLD, PLEDGED, ASSIGNED OR OTHERWISE TRANSFERRED UNLESS (1) A REGISTRATION STATEMENT WITH RESPECT THERETO IS EFFECTIVE UNDER THE ACT AND ANY APPLICABLE STATE SECURITIES LAWS, OR (2) AN EXEMPTION FROM SUCH REGISTRATION EXISTS AND THE COMPANY RECEIVES AN OPINION OF COUNSEL TO THE HOLDER OF SUCH SECURITIES, WHICH COUNSEL AND OPINION ARE REASONABLY SATISFACTORY TO THE COMPANY, THAT SUCH SECURITIES MAY BE OFFERED, SOLD, PLEDGED, ASSIGNED OR TRANSFERRED IN THE MANNER CONTEMPLATED WITHOUT AN EFFECTIVE REGISTRATION STATEMENT UNDER THE ACT OR APPLICABLE STATE SECURITIES LAWS.”

10. REGISTRATION RIGHTS

The Holder shall be entitled to the registration rights as are contained in the Registration Rights Agreement, the provisions of which are deemed incorporated herein by reference.

11. NOTICES

All notices, consents, waivers, and other communications under this Warrant must be in writing and will be deemed given to a party when (a) delivered to the appropriate address by hand or by nationally recognized overnight courier service (costs prepaid); (b) sent by facsimile or e-mail with confirmation of transmission by the transmitting equipment; (c) received or rejected by the addressee, if sent by certified mail, return receipt requested, if to the registered Holder hereof; or (d) seven days after the placement of the notice into the mails (first class postage prepaid), to the Holder at the address, facsimile number, or e-mail address furnished by the registered Holder to the Company in accordance with the Subscription Agreement by and between the Company and the Holder, or if to the Company, to it at One Kendall Square, Bldg 200, Cambridge, MA 02139, Attn: Yuval Cohen, CEO (or to such other address, facsimile number, or e-mail address as the Holder or the Company as a party may designate by notice the other party).

12. SEVERABILITY

If a court of competent jurisdiction holds any provision of this Warrant invalid or unenforceable, the other provisions of this Warrant will remain in full force and effect. Any provision of this Warrant held invalid or unenforceable only in part or degree will remain in full force and effect to the extent not held invalid or unenforceable.

13. BINDING EFFECT

This Warrant shall be binding upon and inure to the sole and exclusive benefit of the Company, its successors and assigns, the registered Holder or Holders from time to time of this Warrant and the Warrant Shares.



14. SURVIVAL OF RIGHTS AND DUTIES

This Warrant shall terminate and be of no further force and effect on the earlier of 5:00 P.M., Eastern Time, on the Expiration Date or the date on which this Warrant has been exercised in full.

15. GOVERNING LAW

This Warrant will be governed by and construed under the laws of the State of New York without regard to conflicts of laws principles that would require the application of any other law.

16. DISPUTE RESOLUTION

In the case of a dispute as to the determination of the Exercise Price or the arithmetic calculation of the Warrant Shares, the Company shall submit the disputed determinations or arithmetic calculations via facsimile within two Business Days of receipt of the Notice of Exercise giving rise to such dispute, as the case may be, to the Holder. If the Holder and the Company are unable to agree upon such determination or calculation of the Exercise Price or the Warrant Shares within three Business Days of such disputed determination or arithmetic calculation being submitted to the Holder, then the Company shall, within two Business Days, submit via facsimile (a) the disputed determination of the Exercise Price to an independent, reputable investment bank selected by the Company and approved by the Holder or (b) the disputed arithmetic calculation of the Warrant Shares to the Company's independent, outside accountant. The Company shall cause at its expense the investment bank or the accountant, as the case may be, to perform the determinations or calculations and notify the Company and the Holder of the results no later than ten (10) Business Days from the time it receives the disputed determinations or calculations. Such investment bank's or accountant's determination or calculation, as the case may be, shall be binding upon all parties absent demonstrable error.

17. NOTICES OF RECORD DATE

Upon (a) any establishment by the Company of a record date of the holders of any class of securities for the purpose of determining the holders thereof who are entitled to receive any dividend or other distribution, or right or option to acquire securities of the Company, or any other right, or (b) any capital reorganization, reclassification, recapitalization, merger or consolidation of the Company with or into any other corporation, any transfer of all or substantially all the assets of the Company, or any voluntary or involuntary dissolution, liquidation or winding up of the Company, or the sale, in a single transaction, of a majority of the Company's voting stock (whether newly issued, or from treasury, or previously issued and then outstanding, or any combination thereof), the Company shall mail to the Holder at least ten (10) Business Days, or such longer period as may be required by law, prior to the record date specified therein, a notice specifying (i) the date established as the record date for the purpose of such dividend, distribution, option or right and a description of such dividend, option or right, (ii) the date on which any such reorganization, reclassification, transfer, consolidation, merger, dissolution, liquidation or winding up, or sale is expected to become effective and (iii) the date, if any, fixed as to when the holders of record of Common Stock shall be entitled to exchange their shares of Common Stock for securities or other property deliverable upon such reorganization, reclassification, transfer, consolidation, merger, dissolution, liquidation or winding up.

18. RESERVATION OF SHARES

The Company shall reserve and keep available out of its authorized but unissued shares of Common Stock for issuance upon the exercise of this Warrant, free from pre-emptive rights, such number of shares of Common Stock for which this Warrant shall from time to time be exercisable. The Company will take all such reasonable action as may be necessary to assure that such Warrant Shares may be issued as provided herein without violation of any applicable law or regulation. Without limiting the generality of the foregoing, the Company covenants that it will use commercially reasonable efforts to take all such action as may be necessary or appropriate in order that the Company may validly and legally issue fully paid and nonassessable Warrant Shares upon the exercise of this Warrant and use commercially reasonable efforts to obtain all such authorizations, exemptions or consents, including but not limited to consents from the Company's stockholders or Board of Directors or any public regulatory body, as may be necessary to enable the Company to perform its obligations under this Warrant.

19. NO THIRD PARTY RIGHTS

This Warrant is not intended, and will not be construed, to create any rights in any parties other than the Company and the Holder, and no person or entity may assert any rights as third-party beneficiary hereunder.

[SIGNATURE PAGE FOLLOWS]

IN WITNESS WHEREOF, the Company has caused this Warrant to be duly executed as of the date first set forth above.

**CORBUS PHARMACEUTICALS HOLDINGS, INC.**

By: \_\_\_\_\_

Name: Yuval Cohen

Title: Chief Executive Officer

EXHIBIT A

NOTICE OF EXERCISE

(To be executed by the Holder of Warrant if such Holder desires to exercise Warrant)

To Corbus Pharmaceuticals Holdings, Inc.:

The undersigned hereby irrevocably elects to exercise this Warrant and to purchase thereunder, \_\_\_\_\_ full shares of Corbus Pharmaceuticals Holdings, Inc common stock issuable upon exercise of the Warrant and delivery of:

(1) \$\_\_\_\_\_ (in cash as provided for in the foregoing Warrant) and any applicable taxes payable by the undersigned pursuant to such Warrant; and

(2) \_\_\_\_\_ shares of Common Stock (pursuant to a Cashless Exercise in accordance with Section 1(b)(ii) of the Warrant) (check here if the undersigned desires to deliver an unspecified number of shares equal the number sufficient to effect a Cashless Exercise [\_\_\_]).

The undersigned requests that certificates for such shares be issued in the name of:

\_\_\_\_\_  
(Please print name, address and social security or federal employer  
identification number (if applicable))

If the shares issuable upon this exercise of the Warrant are not all of the Warrant Shares which the Holder is entitled to acquire upon the exercise of the Warrant, the undersigned requests that a new Warrant evidencing the rights not so exercised be issued in the name of and delivered to:

\_\_\_\_\_  
(Please print name, address and social security or federal employer  
identification number (if applicable))

Name of Holder (print): \_\_\_\_\_  
(Signature): \_\_\_\_\_  
(By:): \_\_\_\_\_  
(Title:): \_\_\_\_\_  
Dated: \_\_\_\_\_

EXHIBIT B

FORM OF ASSIGNMENT

FOR VALUE RECEIVED, \_\_\_\_\_ hereby sells, assigns and transfers to each assignee set forth below all of the rights of the undersigned under the Warrant (as defined in and evidenced by the attached Warrant) to acquire the number of Warrant Shares set opposite the name of such assignee below and in and to the foregoing Warrant with respect to said acquisition rights and the shares issuable upon exercise of the Warrant:

Name of Assignee	Address	Number of Shares

If the total of the Warrant Shares are not all of the Warrant Shares evidenced by the foregoing Warrant, the undersigned requests that a new Warrant evidencing the right to acquire the Warrant Shares not so assigned be issued in the name of and delivered to the undersigned.

Name of Holder (print): \_\_\_\_\_  
(Signature): \_\_\_\_\_  
(By): \_\_\_\_\_  
(Title): \_\_\_\_\_  
Dated: \_\_\_\_\_

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NEITHER THE SECURITIES REPRESENTED BY THIS CERTIFICATE NOR THE SECURITIES ISSUABLE UPON THE EXERCISE OF THIS WARRANT HAVE BEEN REGISTERED UNDER THE SECURITIES ACT OF 1933, AS AMENDED (THE "ACT"), OR ANY STATE SECURITIES LAWS, AND NEITHER SUCH SECURITIES NOR ANY INTEREST THEREIN MAY BE OFFERED, SOLD, ASSIGNED OR OTHERWISE TRANSFERRED UNLESS (1) A REGISTRATION STATEMENT WITH RESPECT THERETO IS EFFECTIVE UNDER THE ACT AND ANY APPLICABLE STATE SECURITIES LAWS, OR (2) AN EXEMPTION FROM SUCH REGISTRATION EXISTS AND THE COMPANY RECEIVES AN OPINION OF COUNSEL TO THE HOLDER OF SUCH SECURITIES, WHICH COUNSEL AND OPINION ARE SATISFACTORY TO THE COMPANY, THAT SUCH SECURITIES MAY BE OFFERED, SOLD, PLEDGED, ASSIGNED OR TRANSFERRED IN THE MANNER CONTEMPLATED WITHOUT AN EFFECTIVE REGISTRATION STATEMENT UNDER THE ACT OR APPLICABLE STATE SECURITIES LAWS.

Effective Date: [\_\_\_\_\_]

Void After: [\_\_\_\_\_]

**CORBUS PHARMACEUTICALS HOLDINGS, INC.****WARRANT TO PURCHASE COMMON STOCK**

**Corbus Pharmaceuticals Holdings, Inc.**, a Delaware corporation (the "**Company**"), for value received on [\_\_\_\_] (the "**Effective Date**"), hereby issues to [ ] (the "**Holder**" or "**Warrant Holder**") this Warrant (the "**Warrant**") to purchase, [ ] shares (each such share as from time to time adjusted as hereinafter provided being a "**Warrant Share**" and all such shares being the "**Warrant Shares**") of the Company's Common Stock (as defined below), at the Exercise Price (as defined below), as adjusted from time to time as provided herein, on or before [\_\_\_\_] (the "**Expiration Date**"), all subject to the following terms and conditions. This Warrant is one of a series of warrants of like tenor that have been issued in connection with the Company's private offering solely to accredited investors of units in accordance with, and subject to, the terms and conditions described in the Subscription Agreement, attached to the Confidential Private Placement Memorandum of the Company dated March 27, 2014, as the same may be amended and supplemented from time to time (the "**Subscription Agreement**" and the "**Private Placement Memorandum**" respectively).

As used in this Warrant, (i) "**Business Day**" means any day other than Saturday, Sunday or any other day on which commercial banks in the City of New York, New York, are authorized or required by law or executive order to close; (ii) "**Common Stock**" means the common stock of the Company, par value \$0.0001 per share, including any securities issued or issuable with respect thereto or into which or for which such shares may be exchanged for, or converted into, pursuant to any stock dividend, stock split, stock combination, recapitalization, reclassification, reorganization or other similar event; (iii) "**Exercise Price**" means \$1.00 per share of Common Stock, subject to adjustment as provided herein; (iv) "**Trading Day**" means any day on which the Common Stock is traded (or available for trading) on its principal trading market; (v) "**Affiliate**" means any person that, directly or indirectly, through one or more intermediaries, controls, is controlled by, or is under common control with, a person, as such terms are used and construed in Rule 144 promulgated under the Securities Act of 1933, as amended (the "**Securities Act**") and (vi) "**Warrantholders**" means the holders of Warrants issued pursuant to the Subscription Agreement and Private Placement Memorandum.

1. DURATION AND EXERCISE OF WARRANTS

(a) Exercise Period. The Holder may exercise this Warrant in whole or in part on any Business Day on or before 5:00 P.M., Eastern Time, on the Expiration Date, at which time this Warrant shall become void and of no value.

(b) Exercise Procedures.

(i) While this Warrant remains outstanding and exercisable in accordance with Section 1(a), in addition to the manner set forth in Section 1(b)(ii) below, the Holder may exercise this Warrant in whole or in part at any time and from time to time by:

(A) delivery to the Company of a duly executed copy of the Notice of Exercise attached as **Exhibit A**;

(B) surrender of this Warrant to the Secretary of the Company at its principal offices or at such other office or agency as the Company may specify in writing to the Holder; and

(C) payment of the then-applicable Exercise Price per share multiplied by the number of Warrant Shares being purchased upon exercise of the Warrant (such amount, the "**Aggregate Exercise Price**") made in the form of cash, or by certified check, bank draft or money order payable in lawful money of the United States of America or in the form of a Cashless Exercise to the extent permitted in Section 1(b)(ii) below.

(ii) In addition to the provisions of Section 1(b)(i) above, if any time after the Effectiveness Deadline (as defined in the Registration Rights Agreement of even date herewith, by and among the Company, the Holder and the other subscribers of the Company's securities pursuant to the Subscription Agreements (the "**Registration Rights Agreement**")), a registration statement covering the resale of the Warrant Shares by the Holder is not effective with the Securities and Exchange Commission (the "**SEC**"), the Holder may, in its sole discretion, exercise all or any part of the Warrant in a "cashless" or "net-issue" exercise (a "**Cashless Exercise**") by delivering to the Company (1) the Notice of Exercise and (2) the original Warrant, pursuant to which the Holder shall surrender the right to receive upon exercise of this Warrant, a number of Warrant Shares having a value (as determined below) equal to the Aggregate Exercise Price, in which case, the number of Warrant Shares to be issued to the Holder upon such exercise shall be calculated using the following formula:

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

with: X = the number of Warrant Shares to be issued to the Holder  
Y = the number of Warrant Shares with respect to which the Warrant is being exercised  
A = the fair value per share of Common Stock on the date of exercise of this Warrant  
B = the then-current Exercise Price of the Warrant

Solely for the purposes of this paragraph, “**fair value**” per share of Common Stock shall mean the average Closing Price (as defined below) per share of Common Stock for the twenty (20) trading days immediately preceding the date on which the Notice of Exercise is deemed to have been sent to the Company. “**Closing Price**” means, for any date, the price determined by the first of the following clauses that applies: (a) if the Common Stock is then listed or quoted on the New York Stock Exchange, the NYSE MKT, the NASDAQ Global Select Market, the NASDAQ Global Market or the NASDAQ Capital Market or any other national securities exchange, the closing price per share of the Common Stock for such date (or the nearest preceding date) on the primary eligible market or exchange on which the Common Stock is then listed or quoted; (b) if prices for the Common Stock are then quoted on the OTC Bulletin Board or any tier of the OTC Markets, the closing bid price per share of the Common Stock for such date (or the nearest preceding date) so quoted; or (c) if prices for the Common Stock are then reported in the “Pink Sheets” published by the National Quotation Bureau Incorporated (or a similar organization or agency succeeding to its functions of reporting prices), the most recent closing bid price per share of the Common Stock so reported. If the Common Stock is not publicly traded as set forth above, the “fair value” per share of Common Stock shall be reasonably and in good faith determined by the Board of Directors of the Company as of the date which the Notice of Exercise is deemed to have been sent to the Company.

Notwithstanding the foregoing, provided that a registration statement (including any post-effective amendment) covering the resale of the Warrant Shares by the Holder has (x) been declared effective by the SEC and (y) has been effective for an aggregate period of one year, any Cashless Exercise right hereunder shall thereupon terminate.

For purposes of Rule 144 promulgated under the Securities Act, it is intended, understood and acknowledged that the Warrant Shares issued in a cashless exercise transaction shall be deemed to have been acquired by the Holder, and the holding period for such shares shall be deemed to have commenced, on the date this Warrant was originally issued.



(iii) Upon the exercise of this Warrant in compliance with the provisions of this Section 1(b), and except as limited pursuant to the last paragraph of Section 1(b)(ii), the Company shall promptly issue and cause to be delivered to the Holder a certificate for the Warrant Shares purchased by the Holder. Each exercise of this Warrant shall be effective immediately prior to the close of business on the date (the “**Date of Exercise**”) that the conditions set forth in Section 1(b) have been satisfied, as the case may be. On the first Business Day following the date on which the Company has received each of the Notice of Exercise and the Aggregate Exercise Price (or notice of a Cashless Exercise in accordance with Section 1(b)(ii)) (the “**Exercise Delivery Documents**”), the Company shall transmit an acknowledgment of receipt of the Exercise Delivery Documents to the Company’s transfer agent (the “**Transfer Agent**”). On or before the third Business Day following the date on which the Company has received all of the Exercise Delivery Documents (the “**Share Delivery Date**”), the Company shall (X) provided that the Transfer Agent is participating in The Depository Trust Company (“**DTC**”) Fast Automated Securities Transfer Program, upon the request of the Holder, credit such aggregate number of shares of Common Stock to which the Holder is entitled pursuant to such exercise to the Holder’s or its designee’s balance account with DTC through its Deposit Withdrawal Agent Commission system, or (Y) if the Transfer Agent is not participating in the DTC Fast Automated Securities Transfer Program, issue and dispatch by overnight courier to the address as specified in the Notice of Exercise, a certificate, registered in the Company’s share register in the name of the Holder or its designee, for the number of shares of Common Stock to which the Holder is entitled pursuant to such exercise. Upon delivery of the Exercise Delivery Documents, the Holder shall be deemed for all corporate purposes to have become the holder of record of the Warrant Shares with respect to which this Warrant has been exercised, irrespective of the date of delivery of the certificates evidencing such Warrant Shares.

(iv) If the Company shall fail for any reason or for no reason to issue to the Holder, within three (3) Business Days of receipt of the Exercise Delivery Documents, a certificate for the number of shares of Common Stock to which the Holder is entitled and register such shares of Common Stock on the Company’s share register or to credit the Holder’s balance account with DTC for such number of shares of Common Stock to which the Holder is entitled upon the Holder’s exercise of this Warrant, and if on or after such Business Day the Holder purchases (in an open market transaction or otherwise) shares of Common Stock to deliver in satisfaction of a sale by the Holder of shares of Common Stock issuable upon such exercise that the Holder anticipated receiving from the Company (a “**Buy-In**”), then the Company shall, (A) pay in cash to the Holder the amount, if any, by which (x) the Holder’s total purchase price (including brokerage commissions, if any) for the shares of Common Stock so purchased (the “**Buy-In Amount**”) plus the amount paid by the Holder to the Company as the exercise price for the Warrant Shares exceeds (y) the amount obtained by multiplying (1) the number of Warrant Shares that the Company was required to deliver to the Holder in connection with the exercise at issue times (2) the price at which the sell order giving rise to such purchase obligation was executed, and (B) at the option of the Holder, either reinstate the portion of the Warrant and equivalent number of Warrant Shares for which such exercise was not honored or deliver to the Holder the number of shares of Common Stock that would have been issued had the Company timely complied with its exercise and delivery obligations hereunder. For example, if the Holder purchases Common Stock having a total purchase price of \$11,000 to cover a Buy-In with respect to an attempted exercise of shares of Common Stock, and paid the Company \$5,000 as the exercise price, the Holder’s cash outlay would be a total of \$16,000; and if the aggregate sales price of the shares giving rise to such Buy-In obligation was \$10,000, under clause (A) of the immediately preceding sentence the Company shall be required to pay the Holder \$6,000. The Holder shall provide the Company written notice indicating the amounts payable to the Holder in respect of the Buy-In and, upon request of the Company, evidence of the amount of such loss. Nothing herein shall limit a Holder’s right to pursue any other remedies available to it hereunder, at law or in equity including, without limitation, a decree of specific performance and/or injunctive relief with respect to the Company’s failure to timely deliver certificates representing shares of Common Stock upon exercise of the Warrant as required pursuant to the terms hereof.

(c) Partial Exercise. This Warrant shall be exercisable, either in its entirety or, from time to time, for part only of the number of Warrant Shares referenced by this Warrant. If this Warrant is submitted in connection with any exercise pursuant to Section 1 and the number of Warrant Shares represented by this Warrant submitted for exercise is greater than the actual number of Warrant Shares being acquired upon such an exercise, then the Company shall as soon as practicable and in no event later than five (5) Business Days after any exercise and at its own expense, issue a new Warrant of like tenor representing the right to purchase the number of Warrant Shares purchasable immediately prior to such exercise under this Warrant, less the number of Warrant Shares with respect to which this Warrant is exercised.

(d) Disputes. In the case of a dispute as to the determination of the Exercise Price or the arithmetic calculation of the Warrant Shares, the Company shall promptly issue to the Holder the number of Warrant Shares that are not disputed and resolve such dispute in accordance with Section 16.

## 2. ISSUANCE OF WARRANT SHARES

(a) The Company covenants that all Warrant Shares will, upon issuance in accordance with the terms of this Warrant, be (i) duly authorized, fully paid and non-assessable, and (ii) free from all liens, charges and security interests, with the exception of claims arising through the acts or omissions of any Holder and except as arising from applicable Federal and state securities laws.

(b) The Company shall register this Warrant upon records to be maintained by the Company for that purpose in the name of the record holder of such Warrant from time to time. The Company may deem and treat the registered Holder of this Warrant as the absolute owner thereof for the purpose of any exercise thereof, any distribution to the Holder thereof and for all other purposes.

(c) The Company will not, by amendment of its certificate of incorporation, by-laws or through any reorganization, transfer of assets, consolidation, merger, dissolution, issue or sale of securities or any other voluntary action, avoid or seek to avoid the observance or performance of any of the terms to be observed or performed hereunder by the Company, but will at all times in good faith assist in the carrying out of all the provisions of this Warrant and in the taking of all action necessary or appropriate in order to protect the rights of the Holder to exercise this Warrant, or against impairment of such rights.

3. ADJUSTMENTS OF EXERCISE PRICE, NUMBER AND TYPE OF WARRANT SHARES

(a) The Exercise Price and the number of shares purchasable upon the exercise of this Warrant shall be subject to adjustment from time to time upon the occurrence of certain events described in this Section 3; provided, that notwithstanding the provisions of this Section 3, the Company shall not be required to make any adjustment if and to the extent that such adjustment would require the Company to issue a number of shares of Common Stock in excess of its authorized but unissued shares of Common Stock, less all amounts of Common Stock that have been reserved for issue upon the conversion of all outstanding securities convertible into shares of Common Stock and the exercise of all outstanding options, warrants and other rights exercisable for shares of Common Stock. If the Company does not have the requisite number of authorized but unissued shares of Common Stock to make any adjustment, the Company shall use its commercially best efforts to obtain the necessary stockholder consent to increase the authorized number of shares of Common Stock to make such an adjustment pursuant to this Section 3.

(i) Subdivision or Combination of Stock. In case the Company shall at any time subdivide (whether by way of stock dividend, stock split or otherwise) its outstanding shares of Common Stock into a greater number of shares, the Exercise Price in effect immediately prior to such subdivision shall be proportionately reduced and the number of Warrant Shares shall be proportionately increased, and conversely, in case the outstanding shares of Common Stock of the Company shall be combined (whether by way of stock combination, reverse stock split or otherwise) into a smaller number of shares, the Exercise Price in effect immediately prior to such combination shall be proportionately increased and the number of Warrant Shares shall be proportionately decreased. The Exercise Price and the Warrant Shares, as so adjusted, shall be readjusted in the same manner upon the happening of any successive event or events described in this Section 3(a)(i).

(ii) Dividends in Stock, Property, Reclassification. If at any time, or from time to time, all of the holders of Common Stock (or any shares of stock or other securities at the time receivable upon the exercise of this Warrant) shall have received or become entitled to receive, without payment therefore:

(A) any shares of stock or other securities that are at any time directly or indirectly convertible into or exchangeable for Common Stock, or any rights or options to subscribe for, purchase or otherwise acquire any of the foregoing by way of dividend or other distribution, or

(B) additional stock or other securities or property (including cash) by way of spin-off, split-up, reclassification, combination of shares or similar corporate rearrangement (other than shares of Common Stock issued as a stock split or adjustments in respect of which shall be covered by the terms of Section 3(a)(i) above),

then and in each such case, the Exercise Price and the number of Warrant Shares to be obtained upon exercise of this Warrant shall be adjusted proportionately, and the Holder hereof shall, upon the exercise of this Warrant, be entitled to receive, in addition to the number of shares of Common Stock receivable thereupon, and without payment of any additional consideration therefor, the amount of stock and other securities and property (including cash in the cases referred to above) that such Holder would hold on the date of such exercise had such Holder been the holder of record of such Common Stock as of the date on which holders of Common Stock received or became entitled to receive such shares or all other additional stock and other securities and property. The Exercise Price and the Warrant Shares, as so adjusted, shall be readjusted in the same manner upon the happening of any successive event or events described in this Section 3(a)(ii).

(iii) Reorganization, Reclassification, Consolidation, Merger or Sale. If any recapitalization, reclassification or reorganization of the capital stock of the Company, or any consolidation or merger of the Company with another corporation, or the sale of all or substantially all of its assets or other transaction shall be effected in such a way that holders of Common Stock shall be entitled to receive stock, securities, or other assets or property (an “**Organic Change**”), then, as a condition of such Organic Change, lawful and adequate provisions shall be made by the Company whereby the Holder hereof shall thereafter have the right to purchase and receive (in lieu of the shares of the Common Stock of the Company immediately theretofore purchasable and receivable upon the exercise of the rights represented by this Warrant) such shares of stock, securities or other assets or property as may be issued or payable with respect to or in exchange for a number of outstanding shares of such Common Stock equal to the number of shares of such stock immediately theretofore purchasable and receivable assuming the full exercise of the rights represented by this Warrant. In the event of any Organic Change, appropriate provision shall be made by the Company with respect to the rights and interests of the Holder of this Warrant to the end that the provisions hereof (including, without limitation, provisions for adjustments of the Exercise Price and of the number of shares purchasable and receivable upon the exercise of this Warrant and registration rights) shall thereafter be applicable, in relation to any shares of stock, securities or assets thereafter deliverable upon the exercise hereof. The Company will not affect any such consolidation, merger or sale unless, prior to the consummation thereof, the successor corporation (if other than the Company) resulting from such consolidation or merger or the corporation purchasing such assets shall assume by written instrument reasonably satisfactory in form and substance to the Holder executed and mailed or delivered to the registered Holder hereof at the last address of such Holder appearing on the books of the Company, the obligation to deliver to such Holder such shares of stock, securities or assets as, in accordance with the foregoing provisions, such Holder may be entitled to purchase. If there is an Organic Change, then the Company shall cause to be mailed to the Holder at its last address as it shall appear on the books and records of the Company, at least 10 calendar days before the effective date of the Organic Change, a notice stating the date on which such Organic Change is expected to become effective or close, and the date as of which it is expected that holders of the Common Stock of record shall be entitled to exchange their shares for securities, cash, or other property delivered upon such Organic Change; provided, that the failure to mail such notice or any defect therein or in the mailing thereof shall not affect the validity of the corporate action required to be specified in such notice. The Holder is entitled to exercise this Warrant during the 10-day period commencing on the date of such notice to the effective date of the event triggering such notice. In any event, the successor corporation (if other than the Company) resulting from such consolidation or merger or the corporation purchasing such assets shall be deemed to assume such obligation to deliver to such Holder such shares of stock, securities or assets even in the absence of a written instrument assuming such obligation to the extent such assumption occurs by operation of law.

(b) Certificate as to Adjustments. Upon the occurrence of each adjustment or readjustment pursuant to this Section 3, the Company at its expense shall promptly compute such adjustment or readjustment in accordance with the terms hereof and furnish to each Holder of this Warrant a certificate setting forth such adjustment or readjustment and showing in detail the facts upon which such adjustment or readjustment is based. The Company shall promptly furnish or cause to be furnished to such Holder a like certificate setting forth: (i) such adjustments and readjustments; and (ii) the number of shares and the amount, if any, of other property which at the time would be received upon the exercise of the Warrant.

(c) Certain Events. If any event occurs as to which the other provisions of this Section 3 are not strictly applicable but the lack of any adjustment would not fairly protect the purchase rights of the Holder under this Warrant in accordance with the basic intent and principles of such provisions, or if strictly applicable would not fairly protect the purchase rights of the Holder under this Warrant in accordance with the basic intent and principles of such provisions, then the Company's Board of Directors will, in good faith, make an appropriate adjustment to protect the rights of the Holder; provided, that no such adjustment pursuant to this Section 3(c) will increase the Exercise Price or decrease the number of Warrant Shares as otherwise determined pursuant to this Section 3.

#### 4. REDEMPTION OF WARRANTS

(a) General. Prior to the Expiration Date, the Company shall have the option, subject to the conditions set forth herein, to redeem all of the Warrants then outstanding upon not less than thirty (30) days nor more than sixty (60) days prior written notice to the Warrant Holders at any time provided that, at the time of delivery of such notice (i) there is an effective registration statement covering the resale of the Warrant Shares, and (ii) the closing bid price of the Company's Common Stock for each of the twenty (20) consecutive Trading Days prior to the date of the notice of redemption is at least \$2.00, as proportionately adjusted to reflect any stock splits, stock dividends, combination of shares or like events. It is contemplated that Aegis Capital Corp. will be retained as solicitation agent in the event the Company elects to redeem the Warrants and shall be paid a fee of 5% of the gross proceeds derived from the exercise of the Warrants in such event.

(b) Notice. Notice of redemption will be effective upon mailing in accordance with this Section and such date may be referred to below as the "**Notice Date**." Notice of redemption shall be mailed by first class mail, postage prepaid, by the Company not less than 30 days prior to the date fixed for redemption to the Holders of the Warrants to be redeemed at their last addresses as they shall appear on the registration books. Any notice mailed in the manner herein provided shall be conclusively presumed to have been duly given whether or not the Holder received such notice.

(c) Redemption Date and Redemption Price. The notice of redemption shall state the date set for redemption, which date shall be not less than thirty (30) days, or more than sixty (60) days, from the Notice Date (the "**Redemption Date**"). The Company shall not mail the notice of redemption unless all funds necessary to pay for redemption of the Warrants to be redeemed shall have first been set aside by the Company for the benefit of the Warrant Holders so as to be and continue to be available therefor. The redemption price to be paid to the Warrant Holders will be \$0.0001 for each share of Common Stock of the Company to which the Warrant Holder would then be entitled upon exercise of the Warrant being redeemed, as adjusted from time to time as provided herein (the "**Redemption Price**").

(d) Exercise. Following the Notice Date, the Warrant Holders may exercise their Warrants in accordance with Section 1 of this Warrant between the Notice Date and 5:00 p.m. Eastern Time on the Redemption Date and such exercise shall be timely if the form of election to purchase duly executed and the Warrant Exercise Price for the shares of Common Stock to be purchased are actually received by the Company at its principal offices prior to 5:00 p.m. Eastern Time on the Redemption Date.

(e) Mailing. If any Warrant Holder does not wish to exercise any Warrant being redeemed, he should mail such Warrant to the Company at its principal offices after receiving the notice of redemption. On and after 5:00 p.m. Eastern Time on the Redemption Date, notwithstanding that any Warrant subject to redemption shall not have been surrendered for redemption, the obligation evidenced by all Warrants not surrendered for redemption or effectively exercised shall be deemed no longer outstanding, and all rights with respect thereto shall forthwith cease and terminate, except only the right of the holder of each Warrant subject to redemption to receive the Redemption Price for each share of Common Stock to which he would be entitled if he exercised the Warrant upon receiving notice of redemption of the Warrant subject to redemption held by him.

## 5. TRANSFERS AND EXCHANGES OF WARRANT AND WARRANT SHARES

(a) Registration of Transfers and Exchanges. Subject to Section 5(c), upon the Holder's surrender of this Warrant, with a duly executed copy of the Form of Assignment attached as **Exhibit B**, to the Secretary of the Company at its principal offices or at such other office or agency as the Company may specify in writing to the Holder, the Company shall register the transfer of all or any portion of this Warrant. Upon such registration of transfer, the Company shall issue a new Warrant, in substantially the form of this Warrant, evidencing the acquisition rights transferred to the transferee and a new Warrant, in similar form, evidencing the remaining acquisition rights not transferred, to the Holder requesting the transfer.

(b) Warrant Exchangeable for Different Denominations. The Holder may exchange this Warrant for a new Warrant or Warrants, in substantially the form of this Warrant, evidencing in the aggregate the right to purchase the number of Warrant Shares which may then be purchased hereunder, each of such new Warrants to be dated the date of such exchange and to represent the right to purchase such number of Warrant Shares as shall be designated by the Holder. The Holder shall surrender this Warrant with duly executed instructions regarding such re-certification of this Warrant to the Secretary of the Company at its principal offices or at such other office or agency as the Company may specify in writing to the Holder.

(c) Restrictions on Transfers. This Warrant may not be transferred at any time without (i) registration under the Securities Act or (ii) an exemption from such registration and a written opinion of legal counsel addressed to the Company that the proposed transfer of the Warrant may be effected without registration under the Securities Act, which opinion will be in form and from counsel reasonably satisfactory to the Company.

6. MUTILATED OR MISSING WARRANT CERTIFICATE

If this Warrant is mutilated, lost, stolen or destroyed, upon request by the Holder, the Company will, at its expense, issue, in exchange for and upon cancellation of the mutilated Warrant, or in substitution for the lost, stolen or destroyed Warrant, a new Warrant, in substantially the form of this Warrant, representing the right to acquire the equivalent number of Warrant Shares; provided, that, as a prerequisite to the issuance of a substitute Warrant, the Company may require satisfactory evidence of loss, theft or destruction as well as an indemnity from the Holder of a lost, stolen or destroyed Warrant.

7. PAYMENT OF TAXES

The Company will pay all transfer and stock issuance taxes attributable to the preparation, issuance and delivery of this Warrant and the Warrant Shares (and replacement Warrants) including, without limitation, all documentary and stamp taxes; provided, however, that the Company shall not be required to pay any tax in respect of the transfer of this Warrant, or the issuance or delivery of certificates for Warrant Shares or other securities in respect of the Warrant Shares to any person or entity other than to the Holder.

8. FRACTIONAL WARRANT SHARES

No fractional Warrant Shares shall be issued upon exercise of this Warrant. The Company, in lieu of issuing any fractional Warrant Share, shall round up the number of Warrant Shares issuable to nearest whole share.

9. NO STOCK RIGHTS AND LEGEND

No holder of this Warrant, as such, shall be entitled to vote or be deemed the holder of any other securities of the Company that may at any time be issuable on the exercise hereof, nor shall anything contained herein be construed to confer upon the holder of this Warrant, as such, the rights of a stockholder of the Company or the right to vote for the election of directors or upon any matter submitted to stockholders at any meeting thereof, or give or withhold consent to any corporate action or to receive notice of meetings or other actions affecting stockholders (except as provided herein), or to receive dividends or subscription rights or otherwise (except as provide herein).

Each certificate for Warrant Shares initially issued upon the exercise of this Warrant, and each certificate for Warrant Shares issued to any subsequent transferee of any such certificate, shall be stamped or otherwise imprinted with a legend in substantially the following form:

“THE SECURITIES REPRESENTED BY THIS CERTIFICATE HAVE NOT BEEN REGISTERED UNDER THE SECURITIES ACT OF 1933, AS AMENDED (THE “ACT”), OR ANY STATE SECURITIES LAWS, AND NEITHER SUCH SECURITIES NOR ANY INTEREST THEREIN MAY BE OFFERED, SOLD, PLEDGED, ASSIGNED OR OTHERWISE TRANSFERRED UNLESS (1) A REGISTRATION STATEMENT WITH RESPECT THERETO IS EFFECTIVE UNDER THE ACT AND ANY APPLICABLE STATE SECURITIES LAWS, OR (2) AN EXEMPTION FROM SUCH REGISTRATION EXISTS AND THE COMPANY RECEIVES AN OPINION OF COUNSEL TO THE HOLDER OF SUCH SECURITIES, WHICH COUNSEL AND OPINION ARE REASONABLY SATISFACTORY TO THE COMPANY, THAT SUCH SECURITIES MAY BE OFFERED, SOLD, PLEDGED, ASSIGNED OR TRANSFERRED IN THE MANNER CONTEMPLATED WITHOUT AN EFFECTIVE REGISTRATION STATEMENT UNDER THE ACT OR APPLICABLE STATE SECURITIES LAWS.”

10. REGISTRATION RIGHTS

The Holder shall be entitled to the registration rights as are contained in the Registration Rights Agreement, the provisions of which are deemed incorporated herein by reference.

11. NOTICES

All notices, consents, waivers, and other communications under this Warrant must be in writing and will be deemed given to a party when (a) delivered to the appropriate address by hand or by nationally recognized overnight courier service (costs prepaid); (b) sent by facsimile or e-mail with confirmation of transmission by the transmitting equipment; (c) received or rejected by the addressee, if sent by certified mail, return receipt requested, if to the registered Holder hereof; or (d) seven days after the placement of the notice into the mails (first class postage prepaid), to the Holder at the address, facsimile number, or e-mail address furnished by the registered Holder to the Company in accordance with the Subscription Agreement by and between the Company and the Holder, or if to the Company, to it at One Kendall Square, Bldg 200, Cambridge, MA 02139, Attn: Yuval Cohen, CEO (or to such other address, facsimile number, or e-mail address as the Holder or the Company as a party may designate by notice the other party).

12. SEVERABILITY

If a court of competent jurisdiction holds any provision of this Warrant invalid or unenforceable, the other provisions of this Warrant will remain in full force and effect. Any provision of this Warrant held invalid or unenforceable only in part or degree will remain in full force and effect to the extent not held invalid or unenforceable.

13. BINDING EFFECT

This Warrant shall be binding upon and inure to the sole and exclusive benefit of the Company, its successors and assigns, the registered Holder or Holders from time to time of this Warrant and the Warrant Shares.



14. SURVIVAL OF RIGHTS AND DUTIES

This Warrant shall terminate and be of no further force and effect on the earlier of 5:00 P.M., Eastern Time, on the Expiration Date or the date on which this Warrant has been exercised in full.

15. GOVERNING LAW

This Warrant will be governed by and construed under the laws of the State of New York without regard to conflicts of laws principles that would require the application of any other law.

16. DISPUTE RESOLUTION

In the case of a dispute as to the determination of the Exercise Price or the arithmetic calculation of the Warrant Shares, the Company shall submit the disputed determinations or arithmetic calculations via facsimile within two Business Days of receipt of the Notice of Exercise giving rise to such dispute, as the case may be, to the Holder. If the Holder and the Company are unable to agree upon such determination or calculation of the Exercise Price or the Warrant Shares within three Business Days of such disputed determination or arithmetic calculation being submitted to the Holder, then the Company shall, within two Business Days, submit via facsimile (a) the disputed determination of the Exercise Price to an independent, reputable investment bank selected by the Company and approved by the Holder or (b) the disputed arithmetic calculation of the Warrant Shares to the Company's independent, outside accountant. The Company shall cause at its expense the investment bank or the accountant, as the case may be, to perform the determinations or calculations and notify the Company and the Holder of the results no later than ten (10) Business Days from the time it receives the disputed determinations or calculations. Such investment bank's or accountant's determination or calculation, as the case may be, shall be binding upon all parties absent demonstrable error.

17. NOTICES OF RECORD DATE

Upon (a) any establishment by the Company of a record date of the holders of any class of securities for the purpose of determining the holders thereof who are entitled to receive any dividend or other distribution, or right or option to acquire securities of the Company, or any other right, or (b) any capital reorganization, reclassification, recapitalization, merger or consolidation of the Company with or into any other corporation, any transfer of all or substantially all the assets of the Company, or any voluntary or involuntary dissolution, liquidation or winding up of the Company, or the sale, in a single transaction, of a majority of the Company's voting stock (whether newly issued, or from treasury, or previously issued and then outstanding, or any combination thereof), the Company shall mail to the Holder at least ten (10) Business Days, or such longer period as may be required by law, prior to the record date specified therein, a notice specifying (i) the date established as the record date for the purpose of such dividend, distribution, option or right and a description of such dividend, option or right, (ii) the date on which any such reorganization, reclassification, transfer, consolidation, merger, dissolution, liquidation or winding up, or sale is expected to become effective and (iii) the date, if any, fixed as to when the holders of record of Common Stock shall be entitled to exchange their shares of Common Stock for securities or other property deliverable upon such reorganization, reclassification, transfer, consolidation, merger, dissolution, liquidation or winding up.

18. RESERVATION OF SHARES

The Company shall reserve and keep available out of its authorized but unissued shares of Common Stock for issuance upon the exercise of this Warrant, free from pre-emptive rights, such number of shares of Common Stock for which this Warrant shall from time to time be exercisable. The Company will take all such reasonable action as may be necessary to assure that such Warrant Shares may be issued as provided herein without violation of any applicable law or regulation. Without limiting the generality of the foregoing, the Company covenants that it will use commercially reasonable efforts to take all such action as may be necessary or appropriate in order that the Company may validly and legally issue fully paid and nonassessable Warrant Shares upon the exercise of this Warrant and use commercially reasonable efforts to obtain all such authorizations, exemptions or consents, including but not limited to consents from the Company's stockholders or Board of Directors or any public regulatory body, as may be necessary to enable the Company to perform its obligations under this Warrant.

19. NO THIRD PARTY RIGHTS

This Warrant is not intended, and will not be construed, to create any rights in any parties other than the Company and the Holder, and no person or entity may assert any rights as third-party beneficiary hereunder.

[SIGNATURE PAGE FOLLOWS]

IN WITNESS WHEREOF, the Company has caused this Warrant to be duly executed as of the date first set forth above.

**CORBUS PHARMACEUTICALS HOLDINGS, INC.**

By:

Name: Yuval Cohen  
Title: Chief Executive Officer

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EXHIBIT A

NOTICE OF EXERCISE

(To be executed by the Holder of Warrant if such Holder desires to exercise Warrant)

To Corbus Pharmaceuticals Holdings, Inc.:

The undersigned hereby irrevocably elects to exercise this Warrant and to purchase thereunder, \_\_\_\_\_ full shares of Corbus Pharmaceuticals Holdings, Inc common stock issuable upon exercise of the Warrant and delivery of:

(1) \$\_\_\_\_\_ (in cash as provided for in the foregoing Warrant) and any applicable taxes payable by the undersigned pursuant to such Warrant; and

(2) \_\_\_\_\_ shares of Common Stock (pursuant to a Cashless Exercise in accordance with Section 1(b)(ii) of the Warrant) (check here if the undersigned desires to deliver an unspecified number of shares equal the number sufficient to effect a Cashless Exercise [\_\_\_]).

The undersigned requests that certificates for such shares be issued in the name of:

\_\_\_\_\_  
(Please print name, address and social security or federal employer identification number (if applicable))

\_\_\_\_\_  
\_\_\_\_\_

If the shares issuable upon this exercise of the Warrant are not all of the Warrant Shares which the Holder is entitled to acquire upon the exercise of the Warrant, the undersigned requests that a new Warrant evidencing the rights not so exercised be issued in the name of and delivered to:

\_\_\_\_\_  
(Please print name, address and social security or federal employer identification number (if applicable))

\_\_\_\_\_  
\_\_\_\_\_

Name of Holder (print): \_\_\_\_\_  
(Signature): \_\_\_\_\_  
(By): \_\_\_\_\_  
(Title): \_\_\_\_\_  
Dated: \_\_\_\_\_

EXHIBIT B

FORM OF ASSIGNMENT

FOR VALUE RECEIVED, \_\_\_\_\_ hereby sells, assigns and transfers to each assignee set forth below all of the rights of the undersigned under the Warrant (as defined in and evidenced by the attached Warrant) to acquire the number of Warrant Shares set opposite the name of such assignee below and in and to the foregoing Warrant with respect to said acquisition rights and the shares issuable upon exercise of the Warrant:

Name of Assignee	Address	Number of Shares

If the total of the Warrant Shares are not all of the Warrant Shares evidenced by the foregoing Warrant, the undersigned requests that a new Warrant evidencing the right to acquire the Warrant Shares not so assigned be issued in the name of and delivered to the undersigned.

Name of Holder (print): \_\_\_\_\_  
(Signature): \_\_\_\_\_  
(By:): \_\_\_\_\_  
(Title:): \_\_\_\_\_  
Dated: \_\_\_\_\_

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NEITHER THE SECURITIES REPRESENTED BY THIS CERTIFICATE NOR THE SECURITIES ISSUABLE UPON THE EXERCISE OF THIS WARRANT HAVE BEEN REGISTERED UNDER THE SECURITIES ACT OF 1933, AS AMENDED (THE "ACT"), OR ANY STATE SECURITIES LAWS, AND NEITHER SUCH SECURITIES NOR ANY INTEREST THEREIN MAY BE OFFERED, SOLD, ASSIGNED OR OTHERWISE TRANSFERRED UNLESS (1) A REGISTRATION STATEMENT WITH RESPECT THERETO IS EFFECTIVE UNDER THE ACT AND ANY APPLICABLE STATE SECURITIES LAWS, OR (2) AN EXEMPTION FROM SUCH REGISTRATION EXISTS AND THE COMPANY RECEIVES AN OPINION OF COUNSEL TO THE HOLDER OF SUCH SECURITIES, WHICH COUNSEL AND OPINION ARE SATISFACTORY TO THE COMPANY, THAT SUCH SECURITIES MAY BE OFFERED, SOLD, PLEDGED, ASSIGNED OR TRANSFERRED IN THE MANNER CONTEMPLATED WITHOUT AN EFFECTIVE REGISTRATION STATEMENT UNDER THE ACT OR APPLICABLE STATE SECURITIES LAWS.

Effective Date: June 30, 2014

Void After: June 17, 2018

**CORBUS PHARMACEUTICALS HOLDINGS, INC.**

## WARRANT TO PURCHASE COMMON STOCK

**Corbus Pharmaceuticals Holdings, Inc.**, a Delaware corporation (the "**Company**") [\_\_\_\_\_] (the "**Holder**" or "**Warrant Holder**") this Warrant (the "**Warrant**") to purchase, [\_\_\_\_\_] shares (each such share as from time to time adjusted as hereinafter provided being a "**Warrant Share**" and all such shares being the "**Warrant Shares**") of the Company's Common Stock (as defined below), at the Exercise Price (as defined below), as adjusted from time to time as provided herein, on or before June 17, 2018 (the "**Expiration Date**"), all subject to the following terms and conditions.

As used in this Warrant, (i) "**Business Day**" means any day other than Saturday, Sunday or any other day on which commercial banks in the City of New York, New York, are authorized or required by law or executive order to close; (ii) "**Common Stock**" means the common stock of the Company, par value \$0.0001 per share, including any securities issued or issuable with respect thereto or into which or for which such shares may be exchanged for, or converted into, pursuant to any stock dividend, stock split, stock combination, recapitalization, reclassification, reorganization or other similar event; (iii) "**Exercise Price**" means \$0.66 per share of Common Stock, subject to adjustment as provided herein; (iv) "**Trading Day**" means any day on which the Common Stock is traded (or available for trading) on its principal trading market; and (v) "**Affiliate**" means any person that, directly or indirectly, through one or more intermediaries, controls, is controlled by, or is under common control with, a person, as such terms are used and construed in Rule 144 promulgated under the Securities Act of 1933, as amended (the "**Securities Act**").

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1. DURATION AND EXERCISE OF WARRANTS

(a) Exercise Period. The Holder may exercise this Warrant in whole or in part on any Business Day on or before 5:00 P.M., Eastern Time, on the Expiration Date, at which time this Warrant shall become void and of no value.

(b) Exercise Procedures.

(i) While this Warrant remains outstanding and exercisable in accordance with Section 1(a), in addition to the manner set forth in Section 1(b)(ii) below, the Holder may exercise this Warrant in whole or in part at any time and from time to time by:

(A) delivery to the Company of a duly executed copy of the Notice of Exercise attached as **Exhibit A**;

(B) surrender of this Warrant to the Secretary of the Company at its principal offices or at such other office or agency as the Company may specify in writing to the Holder; and

(C) payment of the then-applicable Exercise Price per share multiplied by the number of Warrant Shares being purchased upon exercise of the Warrant (such amount, the “**Aggregate Exercise Price**”) made in the form of cash, or by certified check, bank draft or money order payable in lawful money of the United States of America or in the form of a Cashless Exercise described in Section 1(b)(ii) below.

(ii) In addition to the provisions of Section 1(b)(i) above, the Holder may, in its sole discretion, exercise all or any part of the Warrant in a “cashless” or “net-issue” exercise (a “**Cashless Exercise**”) by delivering to the Company (1) the Notice of Exercise and (2) the original Warrant, pursuant to which the Holder shall surrender the right to receive upon exercise of this Warrant, a number of Warrant Shares having a value (as determined below) equal to the Aggregate Exercise Price, in which case, the number of Warrant Shares to be issued to the Holder upon such exercise shall be calculated using the following formula:

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

with: X = the number of Warrant Shares to be issued to the Holder

Y = the number of Warrant Shares with respect to which the Warrant is being exercised

A = the fair value per share of Common Stock on the date of exercise of this Warrant

B = the then-current Exercise Price of the Warrant

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Solely for the purposes of this paragraph, “**fair value**” per share of Common Stock shall mean the Closing Price (as defined below) per share of Common Stock for the day immediately preceding the date on which the Notice of Exercise is deemed to have been sent to the Company. “**Closing Price**” means, the price determined by the first of the following clauses that applies: (a) if the Common Stock is then listed or quoted on the New York Stock Exchange, the NYSE MKT, the NASDAQ Global Select Market, the NASDAQ Global Market or the NASDAQ Capital Market or any other national securities exchange, the closing price per share of the Common Stock for such date (or the nearest preceding date) on the primary eligible market or exchange on which the Common Stock is then listed or quoted; (b) if prices for the Common Stock are then quoted on the OTC Bulletin Board or any tier of the OTC Markets, the closing bid price per share of the Common Stock for such date (or the nearest preceding date) so quoted; or (c) if prices for the Common Stock are then reported in the “Pink Sheets” published by the National Quotation Bureau Incorporated (or a similar organization or agency succeeding to its functions of reporting prices), the most recent closing bid price per share of the Common Stock so reported. If the Common Stock is not publicly traded as set forth above, the “fair value” per share of Common Stock shall be reasonably and in good faith determined by the Board of Directors of the Company as of the date which the Notice of Exercise is deemed to have been sent to the Company.

For purposes of Rule 144 promulgated under the Securities Act, it is intended, understood and acknowledged that the Warrant Shares issued in a cashless exercise transaction shall be deemed to have been acquired by the Holder, and the holding period for such shares shall be deemed to have commenced, on the date this Warrant was originally issued.

(iii) Upon the exercise of this Warrant in compliance with the provisions of this Section 1(b), the Company shall promptly issue and cause to be delivered to the Holder a certificate for the Warrant Shares purchased by the Holder. Each exercise of this Warrant shall be effective immediately prior to the close of business on the date (the “**Date of Exercise**”) that the conditions set forth in Section 1(b) have been satisfied, as the case may be. On the first Business Day following the date on which the Company has received each of the Notice of Exercise and the Aggregate Exercise Price (or notice of a Cashless Exercise in accordance with Section 1(b)(ii)) (the “**Exercise Delivery Documents**”), the Company shall transmit an acknowledgment of receipt of the Exercise Delivery Documents to the Company’s transfer agent (the “**Transfer Agent**”). On or before the third Business Day following the date on which the Company has received all of the Exercise Delivery Documents (the “**Share Delivery Date**”), the Company shall (X) provided that the Transfer Agent is participating in The Depository Trust Company (“**DTC**”) Fast Automated Securities Transfer Program, upon the request of the Holder, credit such aggregate number of shares of Common Stock to which the Holder is entitled pursuant to such exercise to the Holder’s or its designee’s balance account with DTC through its Deposit Withdrawal Agent Commission system, or (Y) if the Transfer Agent is not participating in the DTC Fast Automated Securities Transfer Program, issue and dispatch by overnight courier to the address as specified in the Notice of Exercise, a certificate, registered in the Company’s share register in the name of the Holder or its designee, for the number of shares of Common Stock to which the Holder is entitled pursuant to such exercise. Upon delivery of the Exercise Delivery Documents, the Holder shall be deemed for all corporate purposes to have become the holder of record of the Warrant Shares with respect to which this Warrant has been exercised, irrespective of the date of delivery of the certificates evidencing such Warrant Shares.

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(iv) If the Company shall fail for any reason or for no reason to issue to the Holder, within three (3) Business Days of receipt of the Exercise Delivery Documents, a certificate for the number of shares of Common Stock to which the Holder is entitled and register such shares of Common Stock on the Company's share register or to credit the Holder's balance account with DTC for such number of shares of Common Stock to which the Holder is entitled upon the Holder's exercise of this Warrant, and if on or after such Business Day the Holder purchases (in an open market transaction or otherwise) shares of Common Stock to deliver in satisfaction of a sale by the Holder of shares of Common Stock issuable upon such exercise that the Holder anticipated receiving from the Company (a "**Buy-In**"), then the Company shall, (A) pay in cash to the Holder the amount, if any, by which (x) the Holder's total purchase price (including brokerage commissions, if any) for the shares of Common Stock so purchased (the "**Buy-In Amount**") plus the amount paid by the Holder to the Company as the exercise price for the Warrant Shares exceeds (y) the amount obtained by multiplying (1) the number of Warrant Shares that the Company was required to deliver to the Holder in connection with the exercise at issue times (2) the price at which the sell order giving rise to such purchase obligation was executed, and (B) at the option of the Holder, either reinstate the portion of the Warrant and equivalent number of Warrant Shares for which such exercise was not honored or deliver to the Holder the number of shares of Common Stock that would have been issued had the Company timely complied with its exercise and delivery obligations hereunder. For example, if the Holder purchases Common Stock having a total purchase price of \$11,000 to cover a Buy-In with respect to an attempted exercise of shares of Common Stock, and paid the Company \$5,000 as the exercise price, the Holder's cash outlay would be a total of \$16,000; and if the aggregate sales price of the shares giving rise to such Buy-In obligation was \$10,000, under clause (A) of the immediately preceding sentence the Company shall be required to pay the Holder \$6,000. The Holder shall provide the Company written notice indicating the amounts payable to the Holder in respect of the Buy-In and, upon request of the Company, evidence of the amount of such loss. Nothing herein shall limit a Holder's right to pursue any other remedies available to it hereunder, at law or in equity including, without limitation, a decree of specific performance and/or injunctive relief with respect to the Company's failure to timely deliver certificates representing shares of Common Stock upon exercise of the Warrant as required pursuant to the terms hereof.

(c) Partial Exercise. This Warrant shall be exercisable, either in its entirety or, from time to time, for part only of the number of Warrant Shares referenced by this Warrant. If this Warrant is submitted in connection with any exercise pursuant to Section 1 and the number of Warrant Shares represented by this Warrant submitted for exercise is greater than the actual number of Warrant Shares being acquired upon such an exercise, then the Company shall as soon as practicable and in no event later than five (5) Business Days after any exercise and at its own expense, issue a new Warrant of like tenor representing the right to purchase the number of Warrant Shares purchasable immediately prior to such exercise under this Warrant, less the number of Warrant Shares with respect to which this Warrant is exercised.

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(d) Disputes. In the case of a dispute as to the determination of the Exercise Price or the arithmetic calculation of the Warrant Shares, the Company shall promptly issue to the Holder the number of Warrant Shares that are not disputed and resolve such dispute in accordance with Section 16.

## 2. ISSUANCE OF WARRANT SHARES

(a) The Company covenants that all Warrant Shares will, upon issuance in accordance with the terms of this Warrant, be (i) duly authorized, fully paid and non-assessable, and (ii) free from all liens, charges and security interests, with the exception of claims arising through the acts or omissions of any Holder and except as arising from applicable Federal and state securities laws.

(b) The Company shall register this Warrant upon records to be maintained by the Company for that purpose in the name of the record holder of such Warrant from time to time. The Company may deem and treat the registered Holder of this Warrant as the absolute owner thereof for the purpose of any exercise thereof, any distribution to the Holder thereof and for all other purposes.

(c) The Company will not, by amendment of its certificate of incorporation, by-laws or through any reorganization, transfer of assets, consolidation, merger, dissolution, issue or sale of securities or any other voluntary action, avoid or seek to avoid the observance or performance of any of the terms to be observed or performed hereunder by the Company, but will at all times in good faith assist in the carrying out of all the provisions of this Warrant and in the taking of all action necessary or appropriate in order to protect the rights of the Holder to exercise this Warrant, or against impairment of such rights.

## 3. ADJUSTMENTS OF EXERCISE PRICE, NUMBER AND TYPE OF WARRANT SHARES

(a) The Exercise Price and the number of shares purchasable upon the exercise of this Warrant shall be subject to adjustment from time to time upon the occurrence of certain events described in this Section 3; provided, that notwithstanding the provisions of this Section 3, the Company shall not be required to make any adjustment if and to the extent that such adjustment would require the Company to issue a number of shares of Common Stock in excess of its authorized but unissued shares of Common Stock, less all amounts of Common Stock that have been reserved for issue upon the conversion of all outstanding securities convertible into shares of Common Stock and the exercise of all outstanding options, warrants and other rights exercisable for shares of Common Stock. If the Company does not have the requisite number of authorized but unissued shares of Common Stock to make any adjustment, the Company shall use its commercially best efforts to obtain the necessary stockholder consent to increase the authorized number of shares of Common Stock to make such an adjustment pursuant to this Section 3.

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(i) Subdivision or Combination of Stock. In case the Company shall at any time subdivide (whether by way of stock dividend, stock split or otherwise) its outstanding shares of Common Stock into a greater number of shares, the Exercise Price in effect immediately prior to such subdivision shall be proportionately reduced and the number of Warrant Shares shall be proportionately increased, and conversely, in case the outstanding shares of Common Stock of the Company shall be combined (whether by way of stock combination, reverse stock split or otherwise) into a smaller number of shares, the Exercise Price in effect immediately prior to such combination shall be proportionately increased and the number of Warrant Shares shall be proportionately decreased. The Exercise Price and the Warrant Shares, as so adjusted, shall be readjusted in the same manner upon the happening of any successive event or events described in this Section 3(a)(i).

(ii) Dividends in Stock, Property, Reclassification. If at any time, or from time to time, all of the holders of Common Stock (or any shares of stock or other securities at the time receivable upon the exercise of this Warrant) shall have received or become entitled to receive, without payment therefore:

(A) any shares of stock or other securities that are at any time directly or indirectly convertible into or exchangeable for Common Stock, or any rights or options to subscribe for, purchase or otherwise acquire any of the foregoing by way of dividend or other distribution, or

(B) additional stock or other securities or property (including cash) by way of spin-off, split-up, reclassification, combination of shares or similar corporate rearrangement (other than shares of Common Stock issued as a stock split or adjustments in respect of which shall be covered by the terms of Section 3(a)(i) above),

then and in each such case, the Exercise Price and the number of Warrant Shares to be obtained upon exercise of this Warrant shall be adjusted proportionately, and the Holder hereof shall, upon the exercise of this Warrant, be entitled to receive, in addition to the number of shares of Common Stock receivable thereupon, and without payment of any additional consideration therefor, the amount of stock and other securities and property (including cash in the cases referred to above) that such Holder would hold on the date of such exercise had such Holder been the holder of record of such Common Stock as of the date on which holders of Common Stock received or became entitled to receive such shares or all other additional stock and other securities and property. The Exercise Price and the Warrant Shares, as so adjusted, shall be readjusted in the same manner upon the happening of any successive event or events described in this Section 3(a)(ii).

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(iii) Reorganization, Reclassification, Consolidation, Merger or Sale. If any recapitalization, reclassification or reorganization of the capital stock of the Company, or any consolidation or merger of the Company with another corporation, or the sale of all or substantially all of its assets or other transaction shall be effected in such a way that holders of Common Stock shall be entitled to receive stock, securities, or other assets or property (an “**Organic Change**”), then, as a condition of such Organic Change, lawful and adequate provisions shall be made by the Company whereby the Holder hereof shall thereafter have the right to purchase and receive (in lieu of the shares of the Common Stock of the Company immediately theretofore purchasable and receivable upon the exercise of the rights represented by this Warrant) such shares of stock, securities or other assets or property as may be issued or payable with respect to or in exchange for a number of outstanding shares of such Common Stock equal to the number of shares of such stock immediately theretofore purchasable and receivable assuming the full exercise of the rights represented by this Warrant. In the event of any Organic Change, appropriate provision shall be made by the Company with respect to the rights and interests of the Holder of this Warrant to the end that the provisions hereof (including, without limitation, provisions for adjustments of the Exercise Price and of the number of shares purchasable and receivable upon the exercise of this Warrant and registration rights) shall thereafter be applicable, in relation to any shares of stock, securities or assets thereafter deliverable upon the exercise hereof. The Company will not affect any such consolidation, merger or sale unless, prior to the consummation thereof, the successor corporation (if other than the Company) resulting from such consolidation or merger or the corporation purchasing such assets shall assume by written instrument reasonably satisfactory in form and substance to the Holder executed and mailed or delivered to the registered Holder hereof at the last address of such Holder appearing on the books of the Company, the obligation to deliver to such Holder such shares of stock, securities or assets as, in accordance with the foregoing provisions, such Holder may be entitled to purchase. If there is an Organic Change, then the Company shall cause to be mailed to the Holder at its last address as it shall appear on the books and records of the Company, at least 10 calendar days before the effective date of the Organic Change, a notice stating the date on which such Organic Change is expected to become effective or close, and the date as of which it is expected that holders of the Common Stock of record shall be entitled to exchange their shares for securities, cash, or other property delivered upon such Organic Change; provided, that the failure to mail such notice or any defect therein or in the mailing thereof shall not affect the validity of the corporate action required to be specified in such notice. The Holder is entitled to exercise this Warrant during the 10-day period commencing on the date of such notice to the effective date of the event triggering such notice. In any event, the successor corporation (if other than the Company) resulting from such consolidation or merger or the corporation purchasing such assets shall be deemed to assume such obligation to deliver to such Holder such shares of stock, securities or assets even in the absence of a written instrument assuming such obligation to the extent such assumption occurs by operation of law.

(b) Certificate as to Adjustments. Upon the occurrence of each adjustment or readjustment pursuant to this Section 3, the Company at its expense shall promptly compute such adjustment or readjustment in accordance with the terms hereof and furnish to each Holder of this Warrant a certificate setting forth such adjustment or readjustment and showing in detail the facts upon which such adjustment or readjustment is based. The Company shall promptly furnish or cause to be furnished to such Holder a like certificate setting forth: (i) such adjustments and readjustments; and (ii) the number of shares and the amount, if any, of other property which at the time would be received upon the exercise of the Warrant.

(c) Certain Events. If any event occurs as to which the other provisions of this Section 3 are not strictly applicable but the lack of any adjustment would not fairly protect the purchase rights of the Holder under this Warrant in accordance with the basic intent and principles of such provisions, or if strictly applicable would not fairly protect the purchase rights of the Holder under this Warrant in accordance with the basic intent and principles of such provisions, then the Company's Board of Directors will, in good faith, make an appropriate adjustment to protect the rights of the Holder; provided, that no such adjustment pursuant to this Section 3(c) will increase the Exercise Price or decrease the number of Warrant Shares as otherwise determined pursuant to this Section 3.

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4. INTENTIONALLY OMITTED

5. TRANSFERS AND EXCHANGES OF WARRANT AND WARRANT SHARES

(a) Registration of Transfers and Exchanges. Subject to Section 5(c), upon the Holder's surrender of this Warrant, with a duly executed copy of the Form of Assignment attached as **Exhibit B**, to the Secretary of the Company at its principal offices or at such other office or agency as the Company may specify in writing to the Holder, the Company shall register the transfer of all or any portion of this Warrant. Upon such registration of transfer, the Company shall issue a new Warrant, in substantially the form of this Warrant, evidencing the acquisition rights transferred to the transferee and a new Warrant, in similar form, evidencing the remaining acquisition rights not transferred, to the Holder requesting the transfer.

(b) Warrant Exchangeable for Different Denominations. The Holder may exchange this Warrant for a new Warrant or Warrants, in substantially the form of this Warrant, evidencing in the aggregate the right to purchase the number of Warrant Shares which may then be purchased hereunder, each of such new Warrants to be dated the date of such exchange and to represent the right to purchase such number of Warrant Shares as shall be designated by the Holder. The Holder shall surrender this Warrant with duly executed instructions regarding such re-certification of this Warrant to the Secretary of the Company at its principal offices or at such other office or agency as the Company may specify in writing to the Holder.

(c) Restrictions on Transfers. This Warrant may not be transferred at any time without (i) registration under the Securities Act or (ii) an exemption from such registration and a written opinion of legal counsel addressed to the Company that the proposed transfer of the Warrant may be effected without registration under the Securities Act, which opinion will be in form and from counsel reasonably satisfactory to the Company.

6. MUTILATED OR MISSING WARRANT CERTIFICATE

If this Warrant is mutilated, lost, stolen or destroyed, upon request by the Holder, the Company will, at its expense, issue, in exchange for and upon cancellation of the mutilated Warrant, or in substitution for the lost, stolen or destroyed Warrant, a new Warrant, in substantially the form of this Warrant, representing the right to acquire the equivalent number of Warrant Shares; provided, that, as a prerequisite to the issuance of a substitute Warrant, the Company may require satisfactory evidence of loss, theft or destruction as well as an indemnity from the Holder of a lost, stolen or destroyed Warrant.

7. PAYMENT OF TAXES

The Company will pay all transfer and stock issuance taxes attributable to the preparation, issuance and delivery of this Warrant and the Warrant Shares (and replacement Warrants) including, without limitation, all documentary and stamp taxes; provided, however, that the Company shall not be required to pay any tax in respect of the transfer of this Warrant, or the issuance or delivery of certificates for Warrant Shares or other securities in respect of the Warrant Shares to any person or entity other than to the Holder.

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8. FRACTIONAL WARRANT SHARES

No fractional Warrant Shares shall be issued upon exercise of this Warrant. The Company, in lieu of issuing any fractional Warrant Share, shall round up the number of Warrant Shares issuable to nearest whole share.

9. NO STOCK RIGHTS AND LEGEND

No holder of this Warrant, as such, shall be entitled to vote or be deemed the holder of any other securities of the Company that may at any time be issuable on the exercise hereof, nor shall anything contained herein be construed to confer upon the holder of this Warrant, as such, the rights of a stockholder of the Company or the right to vote for the election of directors or upon any matter submitted to stockholders at any meeting thereof, or give or withhold consent to any corporate action or to receive notice of meetings or other actions affecting stockholders (except as provided herein), or to receive dividends or subscription rights or otherwise (except as provide herein).

Each certificate for Warrant Shares initially issued upon the exercise of this Warrant, and each certificate for Warrant Shares issued to any subsequent transferee of any such certificate, shall be stamped or otherwise imprinted with a legend in substantially the following form:

“THE SECURITIES REPRESENTED BY THIS CERTIFICATE HAVE NOT BEEN REGISTERED UNDER THE SECURITIES ACT OF 1933, AS AMENDED (THE “ACT”), OR ANY STATE SECURITIES LAWS, AND NEITHER SUCH SECURITIES NOR ANY INTEREST THEREIN MAY BE OFFERED, SOLD, PLEDGED, ASSIGNED OR OTHERWISE TRANSFERRED UNLESS (1) A REGISTRATION STATEMENT WITH RESPECT THERETO IS EFFECTIVE UNDER THE ACT AND ANY APPLICABLE STATE SECURITIES LAWS, OR (2) AN EXEMPTION FROM SUCH REGISTRATION EXISTS AND THE COMPANY RECEIVES AN OPINION OF COUNSEL TO THE HOLDER OF SUCH SECURITIES, WHICH COUNSEL AND OPINION ARE REASONABLY SATISFACTORY TO THE COMPANY, THAT SUCH SECURITIES MAY BE OFFERED, SOLD, PLEDGED, ASSIGNED OR TRANSFERRED IN THE MANNER CONTEMPLATED WITHOUT AN EFFECTIVE REGISTRATION STATEMENT UNDER THE ACT OR APPLICABLE STATE SECURITIES LAWS.”

10. REGISTRATION RIGHTS

The Holder shall be entitled the registration rights and subject to the terms as are contained in the Registration Rights Agreement dated April 11, 2014 among the Company and the parties named therein, the provisions of which are deemed incorporated herein by reference. In addition, if, at any time commencing after the Issuance Date, but no later than the Expiration Date, the Company proposes to register any of its securities under the Act (other than in connection with a merger or pursuant to Form S-8), it will give written notice by registered mail, at least fifteen (15) days prior to the filing of each such registration statement, to the Holder of the Warrants and/or the Warrant Securities of its intention to do so. If the Holder of the Warrants and/or the Warrant Securities notifies the Company within ten (10) days after receipt of any such notice of its or their desire to include any such securities in such proposed registration statement, the Company shall afford such Holder of the Warrants and/or the Warrant Securities the opportunity to have any such Warrant Securities registered under such registration statement.

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11. NOTICES

All notices, consents, waivers, and other communications under this Warrant must be in writing and will be deemed given to a party when (a) delivered to the appropriate address by hand or by nationally recognized overnight courier service (costs prepaid); (b) sent by facsimile or e-mail with confirmation of transmission by the transmitting equipment; (c) received or rejected by the addressee, if sent by certified mail, return receipt requested, if to the registered Holder hereof; or (d) seven days after the placement of the notice into the mails (first class postage prepaid), to the Holder at the address, facsimile number, or e-mail address furnished by the registered Holder to the Company, or if to the Company, to it at One Kendall Square, Bldg 200, Cambridge, MA 02139, Attn: Yuval Cohen, CEO (or to such other address, facsimile number, or e-mail address as the Holder or the Company as a party may designate by notice the other party).

12. SEVERABILITY

If a court of competent jurisdiction holds any provision of this Warrant invalid or unenforceable, the other provisions of this Warrant will remain in full force and effect. Any provision of this Warrant held invalid or unenforceable only in part or degree will remain in full force and effect to the extent not held invalid or unenforceable.

13. BINDING EFFECT

This Warrant shall be binding upon and inure to the sole and exclusive benefit of the Company, its successors and assigns, the registered Holder or Holders from time to time of this Warrant and the Warrant Shares.

14. SURVIVAL OF RIGHTS AND DUTIES

This Warrant shall terminate and be of no further force and effect on the earlier of 5:00 P.M., Eastern Time, on the Expiration Date or the date on which this Warrant has been exercised in full.

15. GOVERNING LAW

This Warrant will be governed by and construed under the laws of the State of New York without regard to conflicts of laws principles that would require the application of any other law.

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16. DISPUTE RESOLUTION

In the case of a dispute as to the determination of the Exercise Price or the arithmetic calculation of the Warrant Shares, the Company shall submit the disputed determinations or arithmetic calculations via facsimile within two Business Days of receipt of the Notice of Exercise giving rise to such dispute, as the case may be, to the Holder. If the Holder and the Company are unable to agree upon such determination or calculation of the Exercise Price or the Warrant Shares within three Business Days of such disputed determination or arithmetic calculation being submitted to the Holder, then the Company shall, within two Business Days, submit via facsimile (a) the disputed determination of the Exercise Price to an independent, reputable investment bank selected by the Company and approved by the Holder or (b) the disputed arithmetic calculation of the Warrant Shares to the Company's independent, outside accountant. The Company shall cause at its expense the investment bank or the accountant, as the case may be, to perform the determinations or calculations and notify the Company and the Holder of the results no later than ten (10) Business Days from the time it receives the disputed determinations or calculations. Such investment bank's or accountant's determination or calculation, as the case may be, shall be binding upon all parties absent demonstrable error.

17. NOTICES OF RECORD DATE

Upon (a) any establishment by the Company of a record date of the holders of any class of securities for the purpose of determining the holders thereof who are entitled to receive any dividend or other distribution, or right or option to acquire securities of the Company, or any other right, or (b) any capital reorganization, reclassification, recapitalization, merger or consolidation of the Company with or into any other corporation, any transfer of all or substantially all the assets of the Company, or any voluntary or involuntary dissolution, liquidation or winding up of the Company, or the sale, in a single transaction, of a majority of the Company's voting stock (whether newly issued, or from treasury, or previously issued and then outstanding, or any combination thereof), the Company shall mail to the Holder at least ten (10) Business Days, or such longer period as may be required by law, prior to the record date specified therein, a notice specifying (i) the date established as the record date for the purpose of such dividend, distribution, option or right and a description of such dividend, option or right, (ii) the date on which any such reorganization, reclassification, transfer, consolidation, merger, dissolution, liquidation or winding up, or sale is expected to become effective and (iii) the date, if any, fixed as to when the holders of record of Common Stock shall be entitled to exchange their shares of Common Stock for securities or other property deliverable upon such reorganization, reclassification, transfer, consolidation, merger, dissolution, liquidation or winding up.

18. RESERVATION OF SHARES

The Company shall reserve and keep available out of its authorized but unissued shares of Common Stock for issuance upon the exercise of this Warrant, free from pre-emptive rights, such number of shares of Common Stock for which this Warrant shall from time to time be exercisable. The Company will take all such reasonable action as may be necessary to assure that such Warrant Shares may be issued as provided herein without violation of any applicable law or regulation. Without limiting the generality of the foregoing, the Company covenants that it will use commercially reasonable efforts to take all such action as may be necessary or appropriate in order that the Company may validly and legally issue fully paid and nonassessable Warrant Shares upon the exercise of this Warrant and use commercially reasonable efforts to obtain all such authorizations, exemptions or consents, including but not limited to consents from the Company's stockholders or Board of Directors or any public regulatory body, as may be necessary to enable the Company to perform its obligations under this Warrant.

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19. NO THIRD PARTY RIGHTS

This Warrant is not intended, and will not be construed, to create any rights in any parties other than the Company and the Holder, and no person or entity may assert any rights as third-party beneficiary hereunder.

[SIGNATURE PAGE FOLLOWS]

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IN WITNESS WHEREOF, the Company has caused this Warrant to be duly executed as of the date first set forth above.

**CORBUS PHARMACEUTICALS HOLDINGS, INC.**

By: \_\_\_\_\_  
Name: Yuval Cohen  
Title: Chief Executive Officer

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EXHIBIT A

NOTICE OF EXERCISE

(To be executed by the Holder of Warrant if such Holder desires to exercise Warrant)

To Corbus Pharmaceuticals Holdings, Inc.:

The undersigned hereby irrevocably elects to exercise this Warrant and to purchase thereunder, \_\_\_\_\_ full shares of Corbus Pharmaceuticals Holdings, Inc common stock issuable upon exercise of the Warrant and delivery of:

(1) \$\_\_\_\_\_ (in cash as provided for in the foregoing Warrant) and any applicable taxes payable by the undersigned pursuant to such Warrant; and

(2) \_\_\_\_\_ shares of Common Stock (pursuant to a Cashless Exercise in accordance with Section 1(b)(ii) of the Warrant) (check here if the undersigned desires to deliver an unspecified number of shares equal the number sufficient to effect a Cashless Exercise [\_\_\_]).

The undersigned requests that certificates for such shares be issued in the name of:

\_\_\_\_\_  
(Please print name, address and social security or federal employer  
identification number (if applicable))

If the shares issuable upon this exercise of the Warrant are not all of the Warrant Shares which the Holder is entitled to acquire upon the exercise of the Warrant, the undersigned requests that a new Warrant evidencing the rights not so exercised be issued in the name of and delivered to:

\_\_\_\_\_  
(Please print name, address and social security or federal employer  
identification number (if applicable))

Name of Holder (print): \_\_\_\_\_  
(Signature): \_\_\_\_\_  
(By:) \_\_\_\_\_  
(Title): \_\_\_\_\_  
Dated: \_\_\_\_\_

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EXHIBIT B

FORM OF ASSIGNMENT

FOR VALUE RECEIVED, \_\_\_\_\_ hereby sells, assigns and transfers to each assignee set forth below all of the rights of the undersigned under the Warrant (as defined in and evidenced by the attached Warrant) to acquire the number of Warrant Shares set opposite the name of such assignee below and in and to the foregoing Warrant with respect to said acquisition rights and the shares issuable upon exercise of the Warrant:

Name of Assignee	Address	Number of Shares

If the total of the Warrant Shares are not all of the Warrant Shares evidenced by the foregoing Warrant, the undersigned requests that a new Warrant evidencing the right to acquire the Warrant Shares not so assigned be issued in the name of and delivered to the undersigned.

Name of Holder (print): \_\_\_\_\_  
(Signature): \_\_\_\_\_  
(By:) \_\_\_\_\_  
(Title:) \_\_\_\_\_  
Dated: \_\_\_\_\_

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NEITHER THE SECURITIES REPRESENTED BY THIS CERTIFICATE NOR THE SECURITIES ISSUABLE UPON THE EXERCISE OF THIS WARRANT HAVE BEEN REGISTERED UNDER THE SECURITIES ACT OF 1933, AS AMENDED (THE "ACT"), OR ANY STATE SECURITIES LAWS, AND NEITHER SUCH SECURITIES NOR ANY INTEREST THEREIN MAY BE OFFERED, SOLD, ASSIGNED OR OTHERWISE TRANSFERRED UNLESS (1) A REGISTRATION STATEMENT WITH RESPECT THERETO IS EFFECTIVE UNDER THE ACT AND ANY APPLICABLE STATE SECURITIES LAWS, OR (2) AN EXEMPTION FROM SUCH REGISTRATION EXISTS AND THE COMPANY RECEIVES AN OPINION OF COUNSEL TO THE HOLDER OF SUCH SECURITIES, WHICH COUNSEL AND OPINION ARE SATISFACTORY TO THE COMPANY, THAT SUCH SECURITIES MAY BE OFFERED, SOLD, PLEDGED, ASSIGNED OR TRANSFERRED IN THE MANNER CONTEMPLATED WITHOUT AN EFFECTIVE REGISTRATION STATEMENT UNDER THE ACT OR APPLICABLE STATE SECURITIES LAWS.

Effective Date: April 11, 2014

Void After: April 11, 2019

**CORBUS PHARMACEUTICALS HOLDINGS, INC.****WARRANT TO PURCHASE COMMON STOCK**

**Corbus Pharmaceuticals Holdings, Inc.**, a Delaware corporation (the "**Company**"), for value received on April 11, 2014 (the "**Effective Date**"), hereby issues to [ ] (the "**Holder**" or "**Warrant Holder**") this Warrant (the "**Warrant**") to purchase, [ ] shares (each such share as from time to time adjusted as hereinafter provided being a "**Warrant Share**" and all such shares being the "**Warrant Shares**") of the Company's Common Stock (as defined below), at the Exercise Price (as defined below), as adjusted from time to time as provided herein, on or before April 11, 2019 (the "**Expiration Date**"), all subject to the following terms and conditions. This Warrant is one of a series of placement agent warrants of like tenor that have been issued in connection with the Company's private offering of securities pursuant to the terms of that certain Confidential Private Placement Memorandum of the Company dated March 27, 2014, as the same may have been amended and supplemented from time to time and the Placement Agency Agreement dated March 27, 2014, as the same may have been amended from time to time.

As used in this Warrant, (i) "**Business Day**" means any day other than Saturday, Sunday or any other day on which commercial banks in the City of New York, New York, are authorized or required by law or executive order to close; (ii) "**Common Stock**" means the common stock of the Company, par value \$0.0001 per share, including any securities issued or issuable with respect thereto or into which or for which such shares may be exchanged for, or converted into, pursuant to any stock dividend, stock split, stock combination, recapitalization, reclassification, reorganization or other similar event; (iii) "**Exercise Price**" means \$1.00 per share of Common Stock, subject to adjustment as provided herein; (iv) "**Trading Day**" means any day on which the Common Stock is traded (or available for trading) on its principal trading market; and (v) "**Affiliate**" means any person that, directly or indirectly, through one or more intermediaries, controls, is controlled by, or is under common control with, a person, as such terms are used and construed in Rule 144 promulgated under the Securities Act of 1933, as amended (the "**Securities Act**").

1. DURATION AND EXERCISE OF WARRANTS

(a) Exercise Period. The Holder may exercise this Warrant in whole or in part on any Business Day on or before 5:00 P.M., Eastern Time, on the Expiration Date, at which time this Warrant shall become void and of no value.

(b) Exercise Procedures.

(i) While this Warrant remains outstanding and exercisable in accordance with Section 1(a), in addition to the manner set forth in Section 1(b)(ii) below, the Holder may exercise this Warrant in whole or in part at any time and from time to time by:

(A) delivery to the Company of a duly executed copy of the Notice of Exercise attached as **Exhibit A**;

(B) surrender of this Warrant to the Secretary of the Company at its principal offices or at such other office or agency as the Company may specify in writing to the Holder; and

(C) payment of the then-applicable Exercise Price per share multiplied by the number of Warrant Shares being purchased upon exercise of the Warrant (such amount, the "**Aggregate Exercise Price**") made in the form of cash, or by certified check, bank draft or money order payable in lawful money of the United States of America or in the form of a Cashless Exercise to the extent permitted in Section 1(b)(ii) below.

(ii) At any time, the Holder may, in its sole discretion, exercise all or any part of the Warrant in a "cashless" or "net-issue" exercise (a "**Cashless Exercise**") by delivering to the Company (1) the Notice of Exercise and (2) the original Warrant, pursuant to which the Holder shall surrender the right to receive upon exercise of this Warrant, a number of Warrant Shares having a value (as determined below) equal to the Aggregate Exercise Price, in which case, the number of Warrant Shares to be issued to the Holder upon such exercise shall be calculated using the following formula:

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

with: X = the number of Warrant Shares to be issued to the Holder

Y = the number of Warrant Shares with respect to which the Warrant is being exercised

A = the fair value per share of Common Stock on the date of exercise of this Warrant

B = the then-current Exercise Price of the Warrant

Solely for the purposes of this paragraph, “**fair value**” per share of Common Stock shall mean the average Closing Price (as defined below) per share of Common Stock for the twenty (20) trading days immediately preceding the date on which the Notice of Exercise is deemed to have been sent to the Company. “**Closing Price**” means, for any date, the price determined by the first of the following clauses that applies: (a) if the Common Stock is then listed or quoted on the New York Stock Exchange, the NYSE MKT, the NASDAQ Global Select Market, the NASDAQ Global Market or the NASDAQ Capital Market or any other national securities exchange, the closing price per share of the Common Stock for such date (or the nearest preceding date) on the primary eligible market or exchange on which the Common Stock is then listed or quoted; (b) if prices for the Common Stock are then quoted on the OTC Bulletin Board or any tier of the OTC Markets, the closing bid price per share of the Common Stock for such date (or the nearest preceding date) so quoted; or (c) if prices for the Common Stock are then reported in the “Pink Sheets” published by the National Quotation Bureau Incorporated (or a similar organization or agency succeeding to its functions of reporting prices), the most recent closing bid price per share of the Common Stock so reported. If the Common Stock is not publicly traded as set forth above, the “fair value” per share of Common Stock shall be reasonably and in good faith determined by the Board of Directors of the Company as of the date which the Notice of Exercise is deemed to have been sent to the Company.

For purposes of Rule 144 promulgated under the Securities Act, it is intended, understood and acknowledged that the Warrant Shares issued in a cashless exercise transaction shall be deemed to have been acquired by the Holder, and the holding period for such shares shall be deemed to have commenced, on the Effective Date of this Warrant.

(iii) Upon the exercise of this Warrant in compliance with the provisions of this Section 1(b), and except as limited pursuant to the last paragraph of Section 1(b)(ii), the Company shall promptly issue and cause to be delivered to the Holder a certificate for the Warrant Shares purchased by the Holder. Each exercise of this Warrant shall be effective immediately prior to the close of business on the date (the “**Date of Exercise**”) that the conditions set forth in Section 1(b) have been satisfied, as the case may be. On the first Business Day following the date on which the Company has received each of the Notice of Exercise and the Aggregate Exercise Price (or notice of a Cashless Exercise in accordance with Section 1(b)(ii)) (the “**Exercise Delivery Documents**”), the Company shall transmit an acknowledgment of receipt of the Exercise Delivery Documents to the Company’s transfer agent (the “**Transfer Agent**”). On or before the third Business Day following the date on which the Company has received all of the Exercise Delivery Documents (the “**Share Delivery Date**”), the Company shall (X) provided that the Transfer Agent is participating in The Depository Trust Company (“**DTC**”) Fast Automated Securities Transfer Program, upon the request of the Holder, credit such aggregate number of shares of Common Stock to which the Holder is entitled pursuant to such exercise to the Holder’s or its designee’s balance account with DTC through its Deposit Withdrawal Agent Commission system, or (Y) if the Transfer Agent is not participating in the DTC Fast Automated Securities Transfer Program, issue and dispatch by overnight courier to the address as specified in the Notice of Exercise, a certificate, registered in the Company’s share register in the name of the Holder or its designee, for the number of shares of Common Stock to which the Holder is entitled pursuant to such exercise. Upon delivery of the Exercise Delivery Documents, the Holder shall be deemed for all corporate purposes to have become the holder of record of the Warrant Shares with respect to which this Warrant has been exercised, irrespective of the date of delivery of the certificates evidencing such Warrant Shares.

(iv) If the Company shall fail for any reason or for no reason to issue to the Holder, within three (3) Business Days of receipt of the Exercise Delivery Documents, a certificate for the number of shares of Common Stock to which the Holder is entitled and register such shares of Common Stock on the Company's share register or to credit the Holder's balance account with DTC for such number of shares of Common Stock to which the Holder is entitled upon the Holder's exercise of this Warrant, and if on or after such Business Day the Holder purchases (in an open market transaction or otherwise) shares of Common Stock to deliver in satisfaction of a sale by the Holder of shares of Common Stock issuable upon such exercise that the Holder anticipated receiving from the Company (a "**Buy-In**"), then the Company shall, (A) pay in cash to the Holder the amount, if any, by which (x) the Holder's total purchase price (including brokerage commissions, if any) for the shares of Common Stock so purchased (the "**Buy-In Amount**") plus the amount paid by the Holder to the Company as the exercise price for the Warrant Shares exceeds (y) the amount obtained by multiplying (1) the number of Warrant Shares that the Company was required to deliver to the Holder in connection with the exercise at issue times (2) the price at which the sell order giving rise to such purchase obligation was executed, and (B) at the option of the Holder, either reinstate the portion of the Warrant and equivalent number of Warrant Shares for which such exercise was not honored or deliver to the Holder the number of shares of Common Stock that would have been issued had the Company timely complied with its exercise and delivery obligations hereunder. For example, if the Holder purchases Common Stock having a total purchase price of \$11,000 to cover a Buy-In with respect to an attempted exercise of shares of Common Stock, and paid the Company \$5,000 as the exercise price, the Holder's cash outlay would be a total of \$16,000; and if the aggregate sales price of the shares giving rise to such Buy-In obligation was \$10,000, under clause (A) of the immediately preceding sentence the Company shall be required to pay the Holder \$6,000. The Holder shall provide the Company written notice indicating the amounts payable to the Holder in respect of the Buy-In and, upon request of the Company, evidence of the amount of such loss. Nothing herein shall limit a Holder's right to pursue any other remedies available to it hereunder, at law or in equity including, without limitation, a decree of specific performance and/or injunctive relief with respect to the Company's failure to timely deliver certificates representing shares of Common Stock upon exercise of the Warrant as required pursuant to the terms hereof.

(c) Partial Exercise. This Warrant shall be exercisable, either in its entirety or, from time to time, for part only of the number of Warrant Shares referenced by this Warrant. If this Warrant is submitted in connection with any exercise pursuant to Section 1 and the number of Warrant Shares represented by this Warrant submitted for exercise is greater than the actual number of Warrant Shares being acquired upon such an exercise, then the Company shall as soon as practicable and in no event later than five (5) Business Days after any exercise and at its own expense, issue a new Warrant of like tenor representing the right to purchase the number of Warrant Shares purchasable immediately prior to such exercise under this Warrant, less the number of Warrant Shares with respect to which this Warrant is exercised.



(d) Disputes. In the case of a dispute as to the determination of the Exercise Price or the arithmetic calculation of the Warrant Shares, the Company shall promptly issue to the Holder the number of Warrant Shares that are not disputed and resolve such dispute in accordance with Section 16.

## 2. ISSUANCE OF WARRANT SHARES

(a) The Company covenants that all Warrant Shares will, upon issuance in accordance with the terms of this Warrant, be (i) duly authorized, fully paid and non-assessable, and (ii) free from all liens, charges and security interests, with the exception of claims arising through the acts or omissions of any Holder and except as arising from applicable Federal and state securities laws.

(b) The Company shall register this Warrant upon records to be maintained by the Company for that purpose in the name of the record holder of such Warrant from time to time. The Company may deem and treat the registered Holder of this Warrant as the absolute owner thereof for the purpose of any exercise thereof, any distribution to the Holder thereof and for all other purposes.

(c) The Company will not, by amendment of its certificate of incorporation, by-laws or through any reorganization, transfer of assets, consolidation, merger, dissolution, issue or sale of securities or any other voluntary action, avoid or seek to avoid the observance or performance of any of the terms to be observed or performed hereunder by the Company, but will at all times in good faith assist in the carrying out of all the provisions of this Warrant and in the taking of all action necessary or appropriate in order to protect the rights of the Holder to exercise this Warrant, or against impairment of such rights.

3. ADJUSTMENTS OF EXERCISE PRICE, NUMBER AND TYPE OF WARRANT SHARES

(a) The Exercise Price and the number of shares purchasable upon the exercise of this Warrant shall be subject to adjustment from time to time upon the occurrence of certain events described in this Section 3; provided, that notwithstanding the provisions of this Section 3, the Company shall not be required to make any adjustment if and to the extent that such adjustment would require the Company to issue a number of shares of Common Stock in excess of its authorized but unissued shares of Common Stock, less all amounts of Common Stock that have been reserved for issue upon the conversion of all outstanding securities convertible into shares of Common Stock and the exercise of all outstanding options, warrants and other rights exercisable for shares of Common Stock. If the Company does not have the requisite number of authorized but unissued shares of Common Stock to make any adjustment, the Company shall use its commercially best efforts to obtain the necessary stockholder consent to increase the authorized number of shares of Common Stock to make such an adjustment pursuant to this Section 3.

(i) Subdivision or Combination of Stock. In case the Company shall at any time subdivide (whether by way of stock dividend, stock split or otherwise) its outstanding shares of Common Stock into a greater number of shares, the Exercise Price in effect immediately prior to such subdivision shall be proportionately reduced and the number of Warrant Shares shall be proportionately increased, and conversely, in case the outstanding shares of Common Stock of the Company shall be combined (whether by way of stock combination, reverse stock split or otherwise) into a smaller number of shares, the Exercise Price in effect immediately prior to such combination shall be proportionately increased and the number of Warrant Shares shall be proportionately decreased. The Exercise Price and the Warrant Shares, as so adjusted, shall be readjusted in the same manner upon the happening of any successive event or events described in this Section 3(a)(i).

(ii) Dividends in Stock, Property, Reclassification. If at any time, or from time to time, all of the holders of Common Stock (or any shares of stock or other securities at the time receivable upon the exercise of this Warrant) shall have received or become entitled to receive, without payment therefore:

(A) any shares of stock or other securities that are at any time directly or indirectly convertible into or exchangeable for Common Stock, or any rights or options to subscribe for, purchase or otherwise acquire any of the foregoing by way of dividend or other distribution, or

(B) additional stock or other securities or property (including cash) by way of spin-off, split-up, reclassification, combination of shares or similar corporate rearrangement (other than shares of Common Stock issued as a stock split or adjustments in respect of which shall be covered by the terms of Section 3(a)(i) above),

then and in each such case, the Exercise Price and the number of Warrant Shares to be obtained upon exercise of this Warrant shall be adjusted proportionately, and the Holder hereof shall, upon the exercise of this Warrant, be entitled to receive, in addition to the number of shares of Common Stock receivable thereupon, and without payment of any additional consideration therefor, the amount of stock and other securities and property (including cash in the cases referred to above) that such Holder would hold on the date of such exercise had such Holder been the holder of record of such Common Stock as of the date on which holders of Common Stock received or became entitled to receive such shares or all other additional stock and other securities and property. The Exercise Price and the Warrant Shares, as so adjusted, shall be readjusted in the same manner upon the happening of any successive event or events described in this Section 3(a)(ii).

(iii) Reorganization, Reclassification, Consolidation, Merger or Sale. If any recapitalization, reclassification or reorganization of the capital stock of the Company, or any consolidation or merger of the Company with another corporation, or the sale of all or substantially all of its assets or other transaction shall be effected in such a way that holders of Common Stock shall be entitled to receive stock, securities, or other assets or property (an "**Organic Change**"), then, as a condition of such Organic Change, lawful and adequate provisions shall be made by the Company whereby the Holder hereof shall thereafter have the right to purchase and receive (in lieu of the shares of the Common Stock of the Company immediately theretofore purchasable and receivable upon the exercise of the rights represented by this Warrant) such shares of stock, securities or other assets or property as may be issued or payable with respect to or in exchange for a number of outstanding shares of such Common Stock equal to the number of shares of such stock immediately theretofore purchasable and receivable assuming the full exercise of the rights represented by this Warrant. In the event of any Organic Change, appropriate provision shall be made by the Company with respect to the rights and interests of the Holder of this Warrant to the end that the provisions hereof (including, without limitation, provisions for adjustments of the Exercise Price and of the number of shares purchasable and receivable upon the exercise of this Warrant) shall thereafter be applicable, in relation to any shares of stock, securities or assets thereafter deliverable upon the exercise hereof. The Company will not affect any such consolidation, merger or sale unless, prior to the consummation thereof, the successor corporation (if other than the Company) resulting from such consolidation or merger or the corporation purchasing such assets shall assume by written instrument reasonably satisfactory in form and substance to the Holder executed and mailed or delivered to the registered Holder hereof at the last address of such Holder appearing on the books of the Company, the obligation to deliver to such Holder such shares of stock, securities or assets as, in accordance with the foregoing provisions, such Holder may be entitled to purchase. If there is an Organic Change, then the Company shall cause to be mailed to the Holder at its last address as it shall appear on the books and records of the Company, at least 10 calendar days before the effective date of the Organic Change, a notice stating the date on which such Organic Change is expected to become effective or close, and the date as of which it is expected that holders of the Common Stock of record shall be entitled to exchange their shares for securities, cash, or other property delivered upon such Organic Change; provided, that the failure to mail such notice or any defect therein or in the mailing thereof shall not affect the validity of the corporate action required to be specified in such notice. The Holder is entitled to exercise this Warrant during the 10-day period commencing on the date of such notice to the effective date of the event triggering such notice. In any event, the successor corporation (if other than the Company) resulting from such consolidation or merger or the corporation purchasing such assets shall be deemed to assume such obligation to deliver to such Holder such shares of stock, securities or assets even in the absence of a written instrument assuming such obligation to the extent such assumption occurs by operation of law.

(b) Certificate as to Adjustments. Upon the occurrence of each adjustment or readjustment pursuant to this Section 3, the Company at its expense shall promptly compute such adjustment or readjustment in accordance with the terms hereof and furnish to each Holder of this Warrant a certificate setting forth such adjustment or readjustment and showing in detail the facts upon which such adjustment or readjustment is based. The Company shall promptly furnish or cause to be furnished to such Holder a like certificate setting forth: (i) such adjustments and readjustments; and (ii) the number of shares and the amount, if any, of other property which at the time would be received upon the exercise of the Warrant.

(c) Certain Events. If any event occurs as to which the other provisions of this Section 3 are not strictly applicable but the lack of any adjustment would not fairly protect the purchase rights of the Holder under this Warrant in accordance with the basic intent and principles of such provisions, or if strictly applicable would not fairly protect the purchase rights of the Holder under this Warrant in accordance with the basic intent and principles of such provisions, then the Company's Board of Directors will, in good faith, make an appropriate adjustment to protect the rights of the Holder; provided, that no such adjustment pursuant to this Section 3(c) will increase the Exercise Price or decrease the number of Warrant Shares as otherwise determined pursuant to this Section 3.

4. INTENTIONALLY OMITTED.

5. TRANSFERS AND EXCHANGES OF WARRANT AND WARRANT SHARES

(a) Registration of Transfers and Exchanges. Subject to Section 5(c), upon the Holder's surrender of this Warrant, with a duly executed copy of the Form of Assignment attached as **Exhibit B**, to the Secretary of the Company at its principal offices or at such other office or agency as the Company may specify in writing to the Holder, the Company shall register the transfer of all or any portion of this Warrant. Upon such registration of transfer, the Company shall issue a new Warrant, in substantially the form of this Warrant, evidencing the acquisition rights transferred to the transferee and a new Warrant, in similar form, evidencing the remaining acquisition rights not transferred, to the Holder requesting the transfer.

(b) Warrant Exchangeable for Different Denominations. The Holder may exchange this Warrant for a new Warrant or Warrants, in substantially the form of this Warrant, evidencing in the aggregate the right to purchase the number of Warrant Shares which may then be purchased hereunder, each of such new Warrants to be dated the date of such exchange and to represent the right to purchase such number of Warrant Shares as shall be designated by the Holder. The Holder shall surrender this Warrant with duly executed instructions regarding such re-certification of this Warrant to the Secretary of the Company at its principal offices or at such other office or agency as the Company may specify in writing to the Holder.

(c) Restrictions on Transfers. This Warrant may not be transferred at any time without (i) registration under the Securities Act or (ii) an exemption from such registration and a written opinion of legal counsel addressed to the Company that the proposed transfer of the Warrant may be effected without registration under the Securities Act, which opinion will be in form and from counsel reasonably satisfactory to the Company.

(d) Permitted Transfers and Assignments. Notwithstanding any provision to the contrary in this Section 5, the Holder may transfer, with or without consideration, this Warrant or any of the Warrant Shares (or a portion thereof) to the Holder's Affiliates (as such term is defined under Rule 144 of the Securities Act) without obtaining the opinion from counsel that may be required by Section 5(c)(ii), provided, that the Holder delivers to the Company and its counsel certification, documentation, and other assurances reasonably required by the Company's counsel to enable the Company's counsel to render an opinion to the Company's Transfer Agent that such transfer does not violate applicable securities laws.

#### 6. MUTILATED OR MISSING WARRANT CERTIFICATE

If this Warrant is mutilated, lost, stolen or destroyed, upon request by the Holder, the Company will, at its expense, issue, in exchange for and upon cancellation of the mutilated Warrant, or in substitution for the lost, stolen or destroyed Warrant, a new Warrant, in substantially the form of this Warrant, representing the right to acquire the equivalent number of Warrant Shares; provided, that, as a prerequisite to the issuance of a substitute Warrant, the Company may require satisfactory evidence of loss, theft or destruction as well as an indemnity from the Holder of a lost, stolen or destroyed Warrant.

#### 7. PAYMENT OF TAXES

The Company will pay all transfer and stock issuance taxes attributable to the preparation, issuance and delivery of this Warrant and the Warrant Shares (and replacement Warrants) including, without limitation, all documentary and stamp taxes; provided, however, that the Company shall not be required to pay any tax in respect of the transfer of this Warrant, or the issuance or delivery of certificates for Warrant Shares or other securities in respect of the Warrant Shares to any person or entity other than to the Holder.

#### 8. FRACTIONAL WARRANT SHARES

No fractional Warrant Shares shall be issued upon exercise of this Warrant. The Company, in lieu of issuing any fractional Warrant Share, shall round up the number of Warrant Shares issuable to nearest whole share.

#### 9. NO STOCK RIGHTS AND LEGEND

No holder of this Warrant, as such, shall be entitled to vote or be deemed the holder of any other securities of the Company that may at any time be issuable on the exercise hereof, nor shall anything contained herein be construed to confer upon the holder of this Warrant, as such, the rights of a stockholder of the Company or the right to vote for the election of directors or upon any matter submitted to stockholders at any meeting thereof, or give or withhold consent to any corporate action or to receive notice of meetings or other actions affecting stockholders (except as provided herein), or to receive dividends or subscription rights or otherwise (except as provide herein).

Each certificate for Warrant Shares initially issued upon the exercise of this Warrant, and each certificate for Warrant Shares issued to any subsequent transferee of any such certificate, shall be stamped or otherwise imprinted with a legend in substantially the following form:

“THE SECURITIES REPRESENTED BY THIS CERTIFICATE HAVE NOT BEEN REGISTERED UNDER THE SECURITIES ACT OF 1933, AS AMENDED (THE “ACT”), OR ANY STATE SECURITIES LAWS, AND NEITHER SUCH SECURITIES NOR ANY INTEREST THEREIN MAY BE OFFERED, SOLD, PLEDGED, ASSIGNED OR OTHERWISE TRANSFERRED UNLESS (1) A REGISTRATION STATEMENT WITH RESPECT THERETO IS EFFECTIVE UNDER THE ACT AND ANY APPLICABLE STATE SECURITIES LAWS, OR (2) AN EXEMPTION FROM SUCH REGISTRATION EXISTS AND THE COMPANY RECEIVES AN OPINION OF COUNSEL TO THE HOLDER OF SUCH SECURITIES, WHICH COUNSEL AND OPINION ARE REASONABLY SATISFACTORY TO THE COMPANY, THAT SUCH SECURITIES MAY BE OFFERED, SOLD, PLEDGED, ASSIGNED OR TRANSFERRED IN THE MANNER CONTEMPLATED WITHOUT AN EFFECTIVE REGISTRATION STATEMENT UNDER THE ACT OR APPLICABLE STATE SECURITIES LAWS.”

10. INTENTIONALLY OMITTED.

11. NOTICES

All notices, consents, waivers, and other communications under this Warrant must be in writing and will be deemed given to a party when (a) delivered to the appropriate address by hand or by nationally recognized overnight courier service (costs prepaid); (b) sent by facsimile or e-mail with confirmation of transmission by the transmitting equipment; (c) received or rejected by the addressee, if sent by certified mail, return receipt requested, if to the registered Holder hereof; or (d) seven days after the placement of the notice into the mails (first class postage prepaid), to the Holder at the address, facsimile number, or e-mail address furnished by the registered Holder to the Company, or if to the Company, to it at One Kendall Square, Bldg 200, Cambridge, MA 02139, Attn: Yuval Cohen, CEO (or to such other address, facsimile number, or e-mail address as the Holder or the Company as a party may designate by notice the other party).

12. SEVERABILITY

If a court of competent jurisdiction holds any provision of this Warrant invalid or unenforceable, the other provisions of this Warrant will remain in full force and effect. Any provision of this Warrant held invalid or unenforceable only in part or degree will remain in full force and effect to the extent not held invalid or unenforceable.

13. BINDING EFFECT

This Warrant shall be binding upon and inure to the sole and exclusive benefit of the Company, its successors and assigns, the registered Holder or Holders from time to time of this Warrant and the Warrant Shares.

14. SURVIVAL OF RIGHTS AND DUTIES

This Warrant shall terminate and be of no further force and effect on the earlier of 5:00 P.M., Eastern Time, on the Expiration Date or the date on which this Warrant has been exercised in full.

15. GOVERNING LAW

This Warrant will be governed by and construed under the laws of the State of New York without regard to conflicts of laws principles that would require the application of any other law.

16. DISPUTE RESOLUTION

In the case of a dispute as to the determination of the Exercise Price or the arithmetic calculation of the Warrant Shares, the Company shall submit the disputed determinations or arithmetic calculations via facsimile within two Business Days of receipt of the Notice of Exercise giving rise to such dispute, as the case may be, to the Holder. If the Holder and the Company are unable to agree upon such determination or calculation of the Exercise Price or the Warrant Shares within three Business Days of such disputed determination or arithmetic calculation being submitted to the Holder, then the Company shall, within two Business Days, submit via facsimile (a) the disputed determination of the Exercise Price to an independent, reputable investment bank selected by the Company and approved by the Holder or (b) the disputed arithmetic calculation of the Warrant Shares to the Company's independent, outside accountant. The Company shall cause at its expense the investment bank or the accountant, as the case may be, to perform the determinations or calculations and notify the Company and the Holder of the results no later than ten (10) Business Days from the time it receives the disputed determinations or calculations. Such investment bank's or accountant's determination or calculation, as the case may be, shall be binding upon all parties absent demonstrable error.

17. NOTICES OF RECORD DATE

Upon (a) any establishment by the Company of a record date of the holders of any class of securities for the purpose of determining the holders thereof who are entitled to receive any dividend or other distribution, or right or option to acquire securities of the Company, or any other right, or (b) any capital reorganization, reclassification, recapitalization, merger or consolidation of the Company with or into any other corporation, any transfer of all or substantially all the assets of the Company, or any voluntary or involuntary dissolution, liquidation or winding up of the Company, or the sale, in a single transaction, of a majority of the Company's voting stock (whether newly issued, or from treasury, or previously issued and then outstanding, or any combination thereof), the Company shall mail to the Holder at least ten (10) Business Days, or such longer period as may be required by law, prior to the record date specified therein, a notice specifying (i) the date established as the record date for the purpose of such dividend, distribution, option or right and a description of such dividend, option or right, (ii) the date on which any such reorganization, reclassification, transfer, consolidation, merger, dissolution, liquidation or winding up, or sale is expected to become effective and (iii) the date, if any, fixed as to when the holders of record of Common Stock shall be entitled to exchange their shares of Common Stock for securities or other property deliverable upon such reorganization, reclassification, transfer, consolidation, merger, dissolution, liquidation or winding up.

18. RESERVATION OF SHARES

The Company shall reserve and keep available out of its authorized but unissued shares of Common Stock for issuance upon the exercise of this Warrant, free from pre-emptive rights, such number of shares of Common Stock for which this Warrant shall from time to time be exercisable. The Company will take all such reasonable action as may be necessary to assure that such Warrant Shares may be issued as provided herein without violation of any applicable law or regulation. Without limiting the generality of the foregoing, the Company covenants that it will use commercially reasonable efforts to take all such action as may be necessary or appropriate in order that the Company may validly and legally issue fully paid and nonassessable Warrant Shares upon the exercise of this Warrant and use commercially reasonable efforts to obtain all such authorizations, exemptions or consents, including but not limited to consents from the Company's stockholders or Board of Directors or any public regulatory body, as may be necessary to enable the Company to perform its obligations under this Warrant.

19. NO THIRD PARTY RIGHTS

This Warrant is not intended, and will not be construed, to create any rights in any parties other than the Company and the Holder, and no person or entity may assert any rights as third-party beneficiary hereunder.

[SIGNATURE PAGE FOLLOWS]



IN WITNESS WHEREOF, the Company has caused this Warrant to be duly executed as of the date first set forth above.

**CORBUS PHARMACEUTICALS HOLDINGS, INC.**

By: \_\_\_\_\_  
Name: Yuval Cohen  
Title: Chief Executive Officer

EXHIBIT A

NOTICE OF EXERCISE

(To be executed by the Holder of Warrant if such Holder desires to exercise Warrant)

To Corbus Pharmaceuticals Holdings, Inc.:

The undersigned hereby irrevocably elects to exercise this Warrant and to purchase thereunder, \_\_\_\_\_ full shares of Corbus Pharmaceuticals Holdings, Inc common stock issuable upon exercise of the Warrant and delivery of:

(1) \$\_\_\_\_\_ (in cash as provided for in the foregoing Warrant) and any applicable taxes payable by the undersigned pursuant to such Warrant; and

(2) \_\_\_\_\_ shares of Common Stock (pursuant to a Cashless Exercise in accordance with Section 1(b)(ii) of the Warrant) (check here if the undersigned desires to deliver an unspecified number of shares equal the number sufficient to effect a Cashless Exercise [\_\_\_]).

The undersigned requests that certificates for such shares be issued in the name of:

\_\_\_\_\_  
(Please print name, address and social security or federal employer  
identification number (if applicable))  
\_\_\_\_\_  
\_\_\_\_\_

If the shares issuable upon this exercise of the Warrant are not all of the Warrant Shares which the Holder is entitled to acquire upon the exercise of the Warrant, the undersigned requests that a new Warrant evidencing the rights not so exercised be issued in the name of and delivered to:

\_\_\_\_\_  
(Please print name, address and social security or federal employer  
identification number (if applicable))  
\_\_\_\_\_  
\_\_\_\_\_

Name of Holder (print): \_\_\_\_\_  
(Signature): \_\_\_\_\_  
(By:) \_\_\_\_\_  
(Title): \_\_\_\_\_  
Dated: \_\_\_\_\_

EXHIBIT B

FORM OF ASSIGNMENT

FOR VALUE RECEIVED, \_\_\_\_\_ hereby sells, assigns and transfers to each assignee set forth below all of the rights of the undersigned under the Warrant (as defined in and evidenced by the attached Warrant) to acquire the number of Warrant Shares set opposite the name of such assignee below and in and to the foregoing Warrant with respect to said acquisition rights and the shares issuable upon exercise of the Warrant:

Name of Assignee	Address	Number of Shares

If the total of the Warrant Shares are not all of the Warrant Shares evidenced by the foregoing Warrant, the undersigned requests that a new Warrant evidencing the right to acquire the Warrant Shares not so assigned be issued in the name of and delivered to the undersigned.

Name of Holder (print): \_\_\_\_\_  
(Signature): \_\_\_\_\_  
(By:): \_\_\_\_\_  
(Title): \_\_\_\_\_  
Dated: \_\_\_\_\_

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**REGISTRATION RIGHTS AGREEMENT**

This Registration Rights Agreement (this “**Agreement**”) is made and entered into effective as of April 11, 2014 (the “**Effective Date**”) between Corbus Pharmaceuticals Holdings, Inc., a Delaware corporation (the “**Company**”), and the persons who have executed the signature page(s) hereto (each, a “**Purchaser**” and collectively, the “**Purchasers**”).

**RECITALS:**

WHEREAS, the Company has entered into an Agreement and Plan of Merger with JB Therapeutics Inc., a Delaware corporation (“**JB Therapeutics**”), pursuant to which a newly organized, wholly-owned subsidiary of the Company has merged with and into JB Therapeutics, with JB Therapeutics remaining as the surviving entity and a wholly-owned subsidiary of the Company (the “**Merger**”);

WHEREAS, simultaneously with the Merger and to provide the capital required by the Company for working capital and other purposes, the Company has offered in compliance with Rule 506(b) of Regulation D and/or Regulation S of the Securities Act (as defined herein), to investors in a private placement transaction (the “**PPO**”), units (“**Units**”) of its securities, each Unit consisting of Two Hundred Fifty Thousand (250,000) shares of Common Stock (the “**Investor Shares**”) and Two Hundred Fifty Thousand (250,000) warrants (the “**Investor Warrants**”) to purchase Two Hundred Fifty Thousand (250,000) shares of Common Stock;

WHEREAS, the initial closing of the PPO and the closing of the Merger have taken place on the Effective Date;

WHEREAS, in connection with the Merger and the PPO, the Company agreed to provide certain registration rights related to the Investor Shares and the shares of Common Stock issuable upon exercise of the Investor Warrants, on the terms set forth herein;

WHEREAS, in connection with the Merger and the PPO, the Company agreed to issue (i) warrants to purchase 917,612 shares of Common Stock of the Company (the “**Merger Warrants**”) to the preferred stockholders of JB Therapeutics (“**JBT Preferred Holders**”) along with certain registration rights related to the shares of Common Stock issuable upon exercise of the Merger Warrants and (ii) warrants to purchase an aggregate of 329,617 shares of Common Stock of the Company (the “**Replacement Warrants**” and collectively, with the Merger Warrants, the “**JBT Holder Warrants**”) to the warrant holders of JB Therapeutics (“**JBT Warrant Holders**” and collectively, with the JB Preferred Holders, the “**JBT Holders**”) along with certain registration rights related to the shares of Common Stock issuable upon exercise of the Replacement Warrants;

NOW, THEREFORE, in consideration of the mutual promises, representations, warranties, covenants, and conditions set forth herein, the parties mutually agree as follows:

1. Certain Definitions. As used in this Agreement, the following terms shall have the following respective meanings:
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“Approved Market” means the Over-the-Counter Bulletin Board, the OTC Markets, the Nasdaq Stock Market, the New York Stock Exchange or the NYSE MKT.

“Blackout Period” means, with respect to a registration, a period, in each case commencing on the day immediately after the Company notifies the Purchasers that they are required, because of the occurrence of an event of the kind described in Section 4(f) hereof, to suspend offers and sales of Registrable Securities during which the Company, in the good faith judgment of its board of directors, determines (because of the existence of, or in anticipation of, any acquisition, financing activity, or other transaction involving the Company, or the unavailability for reasons beyond the Company’s control of any required financial statements, disclosure of information which is in its best interest not to publicly disclose, or any other event or condition of similar significance to the Company) that the registration and distribution of the Registrable Securities to be covered by such Registration Statement, if any, would be seriously detrimental to the Company and its stockholders and ending on the earlier of (1) the date upon which the material non-public information commencing the Blackout Period is disclosed to the public or ceases to be material and (2) such time as the Company notifies the selling Holders that the Company will no longer delay such filing of the Registration Statement, recommence taking steps to make such Registration Statement effective, or allow sales pursuant to such Registration Statement to resume.

“Business Day” means any day of the year, other than a Saturday, Sunday, or other day on which the Commission is required or authorized to close.

“Commission” means the U. S. Securities and Exchange Commission or any other federal agency at the time administering the Securities Act.

“Common Stock” means the common stock, par value \$0.0001 per share, of the Company and any and all shares of capital stock or other equity securities of: (i) the Company which are added to or exchanged or substituted for the Common Stock by reason of the declaration of any stock dividend or stock split, the issuance of any distribution or the reclassification, readjustment, recapitalization or other such modification of the capital structure of the Company; and (ii) any other corporation, now or hereafter organized under the laws of any state or other governmental authority, with which the Company is merged, which results from any consolidation or reorganization to which the Company is a party, or to which is sold all or substantially all of the shares or assets of the Company, if immediately after such merger, consolidation, reorganization or sale, the Company or the stockholders of the Company own equity securities having in the aggregate more than 50% of the total voting power of such other corporation.

“Effective Date” has the meaning given it in the preamble to this Agreement.

“Exchange Act” means the Securities Exchange Act of 1934, as amended, and the rules and regulations of the Commission promulgated thereunder.

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“Family Member” means (a) with respect to any individual, such individual’s spouse, any descendants (whether natural or adopted), any trust all of the beneficial interests of which are owned by any of such individuals or by any of such individuals together with any organization described in Section 501(c)(3) of the Internal Revenue Code of 1986, as amended, the estate of any such individual, and any corporation, association, partnership or limited liability company all of the equity interests of which are owned by those above described individuals, trusts or organizations and (b) with respect to any trust, the owners of the beneficial interests of such trust.

“Holder” means each Purchaser (including, for purposes of this definition, each JBT Holder) or any of such Purchaser’s respective successors and Permitted Assignees who acquire rights in accordance with this Agreement with respect to any Registrable Securities directly or indirectly from a Purchaser or from any Permitted Assignee.

“Initial Registration Statement” means the initial Registration Statement filed pursuant to this Agreement.

“Investor Shares” has the meaning given it in the recitals of this Agreement.

“Investor Warrants” has the meaning given it in the recitals of this Agreement.

“Majority Holders” means at any time Holders representing a majority of the Registrable Securities.

“Merger Warrants” has the meaning given in the recitals of this Agreement.

“JBT Holder Warrants” has the meaning given in the recitals of this Agreement.

“JBT Holders” has the meaning given in the recitals of this Agreement and such Holders are listed on Annex A hereto.

“Permitted Assignee” means (a) with respect to a partnership, its partners or former partners in accordance with their partnership interests, (b) with respect to a corporation, its stockholders in accordance with their interest in the corporation, (c) with respect to a limited liability company, its members or former members in accordance with their interest in the limited liability company, (d) with respect to an individual party, any Family Member of such party, (e) an entity that is controlled by, controls, or is under common control with a transferor, or (f) a party to this Agreement.

“Piggyback Registration” means, in any registration of Common Stock as set forth in Section 3(b), the ability of holders of Registrable Securities to include Registrable Securities in such registration.

“Redemption Notice” has the meaning given it in Section 3(f) of this Agreement.

The terms “register,” “registered,” and “registration” refer to a registration effected by preparing and filing a registration statement in compliance with the Securities Act, and the declaration or ordering of the effectiveness of such registration statement.

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“Registrable Securities” means the Investor Shares and the Registrable Warrant Shares but excluding, subject to Section 3(e), (i) any Registrable Securities that have been publicly sold or may be sold immediately without registration under the Securities Act either pursuant to Rule 144(k) of the Securities Act or otherwise; (ii) any Registrable Securities sold by a person in a transaction pursuant to a registration statement filed under the Securities Act, or (iii) any Registrable Securities that are at the time subject to an effective registration statement under the Securities Act.

“Registrable Warrant Shares” means the shares of Common Stock issued or issuable to each Holder upon exercise of the Investor Warrants and the JBT Holder Warrants, as the case may be.

“Registration Default Date” means the date that is 150 days after the date the Registration Statement is actually filed with the Commission.

“Registration Default Period” means the period following the Registration Default Date during which any Registration Event occurs and is continuing.

“Registration Event” means the occurrence of any of the following events:

- (a) the Company fails to file with the Commission the Registration Statement on or before the Registration Filing Date;
- (b) the Registration Statement is not declared effective by the Commission on or before the Registration Default Date;
- (c) after the SEC Effective Date, sales cannot be made pursuant to the Registration Statement for any reason (including without limitation by reason of a stop order, or the Company’s failure to update the Registration Statement) except as excused pursuant to Section 3(e); or
- (d) the Common Stock generally or the Registrable Securities specifically are not listed or included for quotation on an Approved Market, or trading of the Common Stock is suspended or halted on the Approved Market, which at the time constitutes the principal market for the Common Stock, for more than two full, consecutive Trading Days; provided, however, a Registration Event shall not be deemed to occur if all or substantially all trading in equity securities (including the Common Stock) is suspended or halted on the Approved Market for any length of time.

“Registration Filing Date” means the date that is 60 days after date of the final closing of the PPO.

“Registration Statement” means the registration statement that the Company is required to file pursuant to this Agreement to register the Registrable Securities.

“Release Date” has the meaning given it in Section 3(f) of this Agreement.

“Replacement Warrants” has the meaning given in the recitals of this Agreement.

“Rule 144” means Rule 144 promulgated by the Commission under the Securities Act.

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“Rule 145” means Rule 145 promulgated by the Commission under the Securities Act.

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

“Securities Act” means the Securities Act of 1933, as amended, or any similar federal statute promulgated in replacement thereof, and the rules and regulations of the Commission thereunder, all as the same shall be in effect at the time.

“SEC Effective Date” means the date the Registration Statement is declared effective by the Commission.

“Trading Day” means (a) if the Common Stock is listed or quoted on an Approved Market, then any day during which securities are generally eligible for trading on the Approved Market, or (b) if the Common Stock is not then listed or quoted and traded on an Approved Market, then any business day.

“Transfer” has the meaning given it in Section 3(f) of this Agreement.

2. Term. This Agreement shall continue in full force and effect for a period of one year from the SEC Effective Date, unless terminated sooner hereunder.

3. Registration.

(a) Registration on Form S-1. Not later than the Registration Filing Date, the Company shall file with the Commission a Registration Statement on Form S-1, or other applicable form, relating to the resale by the Holders of all of the Registrable Securities, and the Company shall use its commercially reasonable efforts to cause such Registration Statement to be declared effective prior to the Registration Default Date.

(b) Piggyback Registration. In addition to the Company agreement pursuant to Section 3(a) above, if the Company shall determine to register for sale for cash any of its Common Stock, for its own account or for the account of others (other than the Holders), other than (i) a registration relating solely to employee benefit plans or securities issued or issuable to employees, consultants (to the extent the securities owned or to be owned by such consultants could be registered on Form S-8) or any of their Family Members (including a registration on Form S-8) or (ii) a registration relating solely to a Securities Act Rule 145 transaction or a registration on Form S-4 in connection with a merger, acquisition, divestiture, reorganization or similar event, the Company shall promptly give to the Holders written notice thereof (and in no event shall such notice be given less than 20 calendar days prior to the filing of such registration statement), and shall, subject to Section 3(c), include as a Piggyback Registration all of the Registrable Securities specified in a written request delivered by the Holder thereof within 10 calendar days after receipt of such written notice from the Company. However, the Company may, without the consent of the Holders, withdraw such registration statement prior to its becoming effective if the Company or such other stockholders have elected to abandon the proposal to register the securities proposed to be registered thereby.

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(c) Underwriting. If a Piggyback Registration is for a registered public offering that is to be made by an underwriting, the Company shall so advise the Holders of the Registrable Securities eligible for inclusion in such Registration Statement pursuant to Sections 3(b). In that event, the right of any Holder to Piggyback Registration 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 sell any of their Registrable Securities through such underwriting shall (together with the Company and any other stockholders of the Company selling their securities through such underwriting) enter into an underwriting agreement in customary form with the underwriter selected for such underwriting by the Company or the selling stockholders, as applicable. Notwithstanding any other provision of this Section, if the underwriter or the Company determines that marketing factors require a limitation on the number of shares of Common Stock or the amount of other securities to be underwritten, the underwriter may exclude some or all Registrable Securities from such registration and underwriting. The Company shall so advise all Holders (except those Holders who failed to timely elect to include their Registrable Securities through such underwriting or have indicated to the Company their decision not to do so), and indicate to each such Holder the number of shares of Registrable Securities that may be included in the registration and underwriting, if any. The number of shares of Registrable Securities to be included in such registration and underwriting shall be allocated among such Holders as follows:

(i) If the Piggyback Registration was initiated by the Company, the number of shares that may be included in the registration and underwriting shall be allocated first to the Company and then, subject to obligations and commitments existing as of the date hereof, to all selling stockholders, including the Holders, who have requested to sell in the registration on a pro rata basis according to the number of shares requested to be included therein; and

(ii) If the Piggyback Registration was initiated by the exercise of demand registration rights by a stockholder or stockholders of the Company (other than the Holders), then the number of shares that may be included in the registration and underwriting shall be allocated first to such selling stockholders who exercised such demand and then, subject to obligations and commitments existing as of the date hereof, to all other selling stockholders, including the Holders, who have requested to sell in the registration on a pro rata basis according to the number of shares requested to be included therein.

No Registrable Securities excluded from the underwriting by reason of the underwriter's marketing limitation shall be included in such registration and no liquidated damages as set forth in Section 3(d) shall accrue with respect to such excluded securities. If any Holder disapproves of the terms of any such underwriting, such Holder may elect to withdraw such Holder's Registrable Securities therefrom by delivering a written notice to the Company and the underwriter. The Registrable Securities so withdrawn from such underwriting shall also be withdrawn from such registration; provided, however, that, if by the withdrawal of such Registrable Securities, a greater number of Registrable Securities held by other Holders may be included in such registration (up to the maximum of any limitation imposed by the underwriters), then the Company shall offer to all Holders who have included Registrable Securities in the registration the right to include additional Registrable Securities pursuant to the terms and limitations set forth herein in the same proportion used above in determining the underwriter limitation.

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(d) Occurrence of Registration Event. If a Registration Event occurs, then the Company will make payments to each Holder of Registrable Securities (a “**Qualified Purchaser**”), as liquidated damages for the amount of damages to the Qualified Purchaser by reason thereof, at a rate equal to 0.50% of the purchase price per Unit paid by such Holder in the PPO for the Registrable Securities then held by each Qualified Purchaser for each full period of 30 days of the Registration Default Period (which shall be pro-rated for any period less than 30 days); provided, however, if a Registration Event occurs (or is continuing), liquidated damages shall be paid only with respect to that portion of the Qualified Purchaser’s Registrable Securities that cannot then be immediately resold in reliance on Rule 144. Notwithstanding the foregoing, the maximum amount of liquidated damages that may be paid to any Qualified Purchaser pursuant to this Section 3(d) shall be an amount equal to 6% of the purchase price per Unit paid by such Holder in the PPO for the Registrable Securities held by such Qualified Purchaser at the time of the first occurrence of a Registration Event. Each such payment shall be due and payable within five days after the end of each full 30-day period of the Registration Default Period until the termination of the Registration Default Period and within five days after such termination. Such payments shall constitute the Qualified Purchaser’s exclusive remedy for such events. If the Company fails to pay any partial liquidated damages or refund pursuant to this Section in full within seven days after the date payable, the Company will pay interest thereon at a rate of 2% per annum (or such lesser maximum amount that is permitted to be paid by applicable law) to the Holder, accruing daily from the date such partial liquidated damages are due until such amounts, plus all such interest thereon, are paid in full. The Registration Default Period shall terminate upon (i) the filing of the Registration Statement in the case of clause (a) of the definition of Registration Event, (ii) the SEC Effective Date in the case of clause (b) of the definition of Registration Event, (iii) the ability of the Qualified Purchaser to effect sales pursuant to the Registration Statement in the case of clause (c) of the definition of Registration Event, and (iv) the listing or inclusion and/or trading of the Common Stock on an Approved Market, as the case may be, in the case of clause (d) of the definition of Registration Event. The amounts payable as liquidated damages pursuant to this Section 3(d) shall be payable in lawful money of the United States.

(e) Notwithstanding the provisions of Section 3(d) above:

(1)(a) if the Commission does not declare the Registration Statement effective on or before the Registration Default Date, or (b) if the Commission allows the Registration Statement to be declared effective at any time before or after the Registration Default Date, subject to the withdrawal of certain Registrable Securities from the Registration Statement, and the reason for (a) or (b) is the Commission’s determination that (x) the offering of any of the Registrable Securities constitutes a primary offering of securities by the Company, (y) Rule 415 may not be relied upon for the registration of the resale of any or all of the Registrable Securities, and/or (z) a Holder of any Registrable Securities must be named as an underwriter, the Holders understand and agree that in the case of (b) the Company may reduce, on a *pro rata* basis, the total number of Registrable Securities to be registered on behalf of each such Holder, and, in the case of (a) or (b), that a Holder shall not be entitled to any liquidated damages with respect to the Registrable Securities not registered for the reason set forth in (a), or so reduced on a *pro rata* basis as set forth in (b). In any such *pro rata* reduction, the number of Registrable Securities to be registered on such Registration Statement will first be reduced by (i) first, all of the Registrable Securities held by the JBT Holders, (ii) second, the Registrable Securities represented by the Registrable Warrant Shares (applied, in the case that some Registrable Warrant Shares may be registered, to the Holders on a *pro rata* basis based on the total number of unregistered Registrable Warrant Shares held by such Holders on a fully diluted basis), and (iv) third, Registrable Securities represented by Investor Shares (applied, in the case that some Investor Shares may be registered, to the Holders on a *pro rata* basis based on the total number of unregistered Investor Shares held by such Holders). In addition, any such affected Holder shall be entitled to Piggyback Registration rights after the Registration Statement is declared effective by the Commission until such time as: (AA) all Registrable Securities have been registered pursuant to an effective Registration Statement, (BB) the Registrable Securities may be resold without restriction pursuant to Rule 144 of the Securities Act, or (CC) the Holder agrees to be named as an underwriter in any such registration statement. The Holders acknowledge and agree the provisions of this paragraph may apply to more than one Registration Statement; and

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(2) For not more than thirty (30) consecutive days or for a total of not more than sixty (60) days in any twelve (12) month period, the Company may suspend the use of any prospectus included in any Registration Statement contemplated by this Section in the event that the Company determines in good faith that such suspension is necessary to (A) delay the disclosure of material non-public information concerning the Company, the disclosure of which at the time is not, in the good faith opinion of the Company, in the best interests of the Company or (B) amend or supplement the affected Registration Statement or the related prospectus so that such Registration Statement or 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, in the case of the prospectus in light of the circumstances under which they were made, not misleading, including in connection with the filing of a post-effective amendment to such Registration Statement in connection with the Company's filing of an Annual Report on Form 10-K for any fiscal year (an "Allowed Delay"); provided, that the Company shall promptly (a) notify each Holder in writing of the commencement of an Allowed Delay, but shall not (without the prior written consent of an Holder) disclose to such Holder any material non-public information giving rise to an Allowed Delay, (b) advise the Holders in writing to cease all sales under the Registration Statement until the end of the Allowed Delay and (c) use commercially reasonable efforts to terminate an Allowed Delay as promptly as practicable.

In the event of an Allowed Delay, the liquidated damages set forth in Section 3(d) shall not accrue during such Allowed Delay.

(f) Holdback Agreements. From and after the SEC Effective Date, each Holder understands that (i) it shall not sell, offer, pledge, contract to sell, grant any option or contract to purchase, purchase any option or contract to sell, grant any right or warrant to purchase, lend or otherwise transfer or encumber, directly or indirectly, any shares of the Registrable Securities ("**Transfer**"), nor shall such Holder enter into any swap, hedging or other arrangement that transfers to another, in whole or in part, any of the economic consequences of ownership of any shares of the Registrable Securities until the Release Date (as defined below); provided that such Holder shall be permitted to Transfer up to one-third of such Holder's Registrable Securities held by it as of the SEC Effective Date at any time on or after the SEC Effective Date, and (ii) following the Release Date, it shall be entitled to sell the remaining Registrable Securities held by such Holder. Each Holder hereby covenants and agrees that (x) it shall abide by the restrictions set forth above and (y) the Company shall be entitled to place "stop transfer" instructions with the Company's transfer agent in compliance with the above restrictions. For purposes of this clause (f), the term "**Release Date**" shall mean six months from the SEC Effective Date; provided, that in the event the Company delivers a notice of redemption to the Holders of the Investor Warrants (pursuant to the terms of the Investor Warrants) (the "**Redemption Notice**"), the restrictions set forth above shall terminate effective on the date of delivery of the Redemption Notice.

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4. Registration Procedures for Registrable Securities. The Company will keep each Holder reasonably advised as to the filing and effectiveness of the Registration Statement. At its expense with respect to the Registration Statement, the Company will:

(a) prepare and file with the Commission with respect to the Registrable Securities, a Registration Statement on Form S-1, or any other form for which the Company then qualifies or which counsel for the Company shall deem appropriate and which form shall be available for the sale of the Registrable Securities in accordance with the intended methods of distribution thereof, and use its commercially reasonable efforts to cause such Registration Statement to become effective and shall remain effective for a period of one year or for such shorter period ending on the earlier to occur of (i) the date as of which all of the Holders as selling stockholders thereunder may sell all of the Registrable Securities registered for resale thereon without restriction pursuant to Rule 144 (or any successor rule thereto) promulgated under the Securities Act or (ii) the date when all of the Registrable Securities registered thereunder shall have been sold (the “**Effectiveness Period**”). Thereafter, the Company shall be entitled to withdraw such Registration Statement and the Purchasers shall have no further right to offer or sell any of the Registrable Securities registered for resale thereon pursuant to the respective Registration Statement (or any prospectus relating thereto);

(b) if the Registration Statement is subject to review by the Commission, respond in a commercially reasonable manner to all comments and diligently pursue resolution of any comments to the satisfaction of the Commission;

(c) prepare and file with the Commission such amendments and supplements to such Registration Statement as may be necessary to keep such Registration Statement effective during the Effectiveness Period;

(d) furnish, without charge, to each Holder of Registrable Securities covered by such Registration Statement (i) a reasonable number of copies of such Registration Statement (including any exhibits thereto other than exhibits incorporated by reference), each amendment and supplement thereto as such Holder may reasonably request, (ii) such number of copies of the prospectus included in such Registration Statement (including each preliminary prospectus and any other prospectus filed under Rule 424 of the Securities Act) as such Holders may reasonably request, in conformity with the requirements of the Securities Act, and (iii) such other documents as such Holder may require to consummate the disposition of the Registrable Securities owned by such Holder, but only during the Effectiveness Period;

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(e) use its commercially reasonable efforts to register or qualify such registration under such other applicable securities laws of such jurisdictions as any Holder of Registrable Securities covered by such Registration Statement reasonably requests and as may be necessary for the marketability of the Registrable Securities (such request to be made by the time the applicable Registration Statement is deemed effective by the Commission) and do any and all other acts and things necessary to enable such Holder to consummate the disposition in such jurisdictions of the Registrable Securities owned by such Holder; provided, that the Company shall not be required to (i) qualify generally to do business in any jurisdiction where it would not otherwise be required to qualify but for this paragraph, (ii) subject itself to taxation in any such jurisdiction, or (iii) consent to general service of process in any such jurisdiction.

(f) notify each Holder of Registrable Securities, the disposition of which requires delivery of a prospectus relating thereto under the Securities Act, of the happening of any event (as promptly as practicable after becoming aware of such event), which comes to the Company's attention, that will after the occurrence of such event cause the prospectus included in such Registration Statement, if not amended or supplemented, to contain an untrue statement of a material fact or an omission to state a material fact required to be stated therein or necessary to make the statements therein not misleading and the Company shall promptly thereafter prepare and furnish to such Holder a supplement or amendment to such prospectus (or prepare and file appropriate reports under the Exchange Act) so that, as thereafter delivered to the purchasers of such Registrable Securities, such prospectus shall not contain an untrue statement of a material fact or omit to state any material fact required to be stated therein or necessary to make the statements therein not misleading, unless suspension of the use of such prospectus otherwise is authorized herein or in the event of a Blackout Period, in which case no supplement or amendment need be furnished (or Exchange Act filing made) until the termination of such suspension or Blackout Period;

(g) comply, and continue to comply during the Effectiveness Period, in all material respects with the Securities Act and the Exchange Act and with all applicable rules and regulations of the Commission with respect to the disposition of all securities covered by such Registration Statement;

(h) as promptly as practicable after becoming aware of such event, notify each Holder of Registrable Securities being offered or sold pursuant to the Registration Statement of the issuance by the Commission of any stop order or other suspension of effectiveness of the Registration Statement;

(i) use its commercially reasonable efforts to cause all the Registrable Securities covered by the Registration Statement to be quoted on the OTC Bulletin Board or such other Approved Market on which securities of the same class or series issued by the Company are then listed or traded;

(j) provide a transfer agent and registrar, which may be a single entity, for the shares of Common Stock at all times;

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(k) if requested by the Holders, cooperate with the Holders to facilitate the timely preparation and delivery of certificates representing Registrable Securities to be delivered to a transferee pursuant to the Registration Statement, which certificates shall be free, to the extent permitted by applicable law, of all restrictive legends, and to enable such Registrable Securities to be in such denominations and registered in such names as any such Holders may request;

(l) during the Effectiveness Period, refrain from bidding for or purchasing any Common Stock or any right to purchase Common Stock or attempting to induce any person to purchase any such security or right if such bid, purchase or attempt would in any way limit the right of the Holders to sell Registrable Securities by reason of the limitations set forth in Regulation M of the Exchange Act; and

(m) take all other reasonable actions necessary to expedite and facilitate the disposition by the Holders of the Registrable Securities pursuant to the Registration Statement.

5. Suspension of Offers and Sales. Each Holder agrees that, upon receipt of any notice from the Company of the happening of any event of the kind described in Section 4(f) hereof or of the commencement of a Blackout Period, such Holder shall discontinue the disposition of Registrable Securities included in the Registration Statement until such Holder's receipt of the copies of the supplemented or amended prospectus contemplated by Section 4(f) hereof or notice of the end of the Blackout Period, and, if so directed by the Company, such Holder shall deliver to the Company (at the Company's expense) all copies (including, without limitation, any and all drafts), other than permanent file copies, then in such Holder's possession, of the prospectus covering such Registrable Securities current at the time of receipt of such notice.

6. Registration Expenses. The Company shall pay all expenses in connection with any registration obligation provided herein, including, without limitation, all registration, filing, stock exchange fees, printing expenses, all fees and expenses of complying with applicable securities laws, and the fees and disbursements of counsel for the Company and of its independent accountants; provided, that, in any registration, each party shall pay for its own underwriting discounts and commissions and transfer taxes. Except as provided in this Section and Section 9, the Company shall not be responsible for the expenses of any attorney or other advisor employed by a Holder.

7. Assignment of Rights. No Holder may assign its rights under this Agreement to any party without the prior written consent of the Company; provided, however, that any Holder may assign its rights under this Agreement without such consent to a Permitted Assignee as long as (a) such transfer or assignment is effected in accordance with applicable securities laws; (b) such transferee or assignee agrees in writing to become subject to the terms of this Agreement; and (c) such Holder notifies the Company in writing of such transfer or assignment, stating the name and address of the transferee or assignee and identifying the Registrable Securities with respect to which such rights are being transferred or assigned.

8. Information by Holder. A Holder with Registrable Securities included in any registration shall furnish to the Company such information regarding itself, the Registrable Securities held by it, and the intended method of disposition of such securities as shall be required in order to comply with any applicable law or regulation in connection with the registration of such Holder's Registrable Securities or any qualification or compliance with respect to such Holder's Registrable Securities and referred to in this Agreement. A form of Selling Stockholder Questionnaire is attached as Exhibit B hereto for such purposes.

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9. Indemnification.

(a) In the event of the offer and sale of Registrable Securities under the Securities Act, the Company shall, and hereby does, indemnify and hold harmless, to the fullest extent permitted by law, each Holder, its directors, officers, partners, each other person who participates as an underwriter in the offering or sale of such securities, and each other person, if any, who controls or is under common control with such Holder or any such underwriter within the meaning of Section 15 of the Securities Act, against any losses, claims, damages or liabilities, joint or several, and expenses to which the Holder or any such director, officer, partner or underwriter or controlling person may become subject under the Securities Act, the Exchange Act, or any other federal or state law, insofar as such losses, claims, damages, liabilities or expenses (or actions or proceedings, whether commenced or threatened, in respect thereof) arise out of or are based upon any untrue statement of any material fact contained in any registration statement prepared and filed by the Company under which Registrable Securities were registered under the Securities Act, any preliminary prospectus, final prospectus or summary prospectus contained therein, or any amendment or supplement thereto, or any omission to state therein a material fact required to be stated or necessary to make the statements therein in light of the circumstances in which they were made not misleading, or any violation or alleged violation of the Securities Act, the Exchange Act, any state securities law or any rule or regulation promulgated under the Securities Act, the Exchange Act or any state securities law in connection with this Agreement; and the Company shall reimburse the Holder, and each such director, officer, partner, underwriter and controlling person for any legal or any other expenses reasonably incurred by them in connection with investigating, defending or settling any such loss, claim, damage, liability, action or proceeding; provided, that such indemnity agreement found in this Section 9(a) shall in no event exceed the net proceeds from the PPO received by the Company; and provided further, that the Company shall not be liable in any such case (i) to the extent that any such loss, claim, damage, liability (or action or proceeding in respect thereof) or expense arises out of or is based upon an untrue statement in or omission from such registration statement, any such preliminary prospectus, final prospectus, summary prospectus, amendment or supplement in reliance upon and in conformity with written information furnished to the Company by the Holder specifically for use in the preparation thereof or (ii) if the person asserting any such loss, claim, damage, liability (or action or proceeding in respect thereof) who purchased the Registrable Securities that are the subject thereof did not receive a copy of an amended preliminary prospectus or the final prospectus (or the final prospectus as amended or supplemented) at or prior to the written confirmation of the sale of such Registrable Securities to such person because of the failure of such Holder or underwriter to so provide such amended preliminary or final prospectus and the untrue statement or omission of a material fact made in such preliminary prospectus was corrected in the amended preliminary or final prospectus (or the final prospectus as amended or supplemented). Such indemnity shall remain in full force and effect regardless of any investigation made by or on behalf of the Holders, or any such director, officer, partner, underwriter or controlling person and shall survive the transfer of such shares by the Holder.

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(b) As a condition to including Registrable Securities in any registration statement filed pursuant to this Agreement, each Holder agrees to be bound by the terms of this Section 9 and to indemnify and hold harmless, to the fullest extent permitted by law, the Company, its directors and officers, and each other person, if any, who controls the Company within the meaning of Section 15 of the Securities Act, against any losses, claims, damages or liabilities, joint or several, to which the Company or any such director or officer or controlling person may become subject under the Securities Act, the Exchange Act, or any other federal or state law, to the extent arising out of or based solely upon: (x) such Holder's failure to comply with the prospectus delivery requirements of the Securities Act or (y) any untrue or alleged untrue statement of a material fact contained in any registration statement, any prospectus, or any form of prospectus, or in any amendment or supplement thereto or in any preliminary prospectus, or arising out of or relating to any omission or alleged omission of a material fact required to be stated therein or necessary to make the statements therein not misleading (i) to the extent, but only to the extent, that such untrue statement or omission is contained in any information so furnished in writing by such Holder to the Company specifically for inclusion in the registration statement or such prospectus or (ii) to the extent that (1) such untrue statements or omissions are based solely upon information regarding such Holder furnished in writing to the Company by such Holder expressly for use therein, or to the extent that such information relates to such Holder or such Holder's proposed method of distribution of Registrable Securities and was reviewed and expressly approved in writing by such Holder expressly for use in the Registration Statement, such prospectus or such form of prospectus or in any amendment or supplement thereto or (2) in the case of an occurrence of an event of the type specified in Section 4(f) hereof, the use by such Holder of an outdated or defective prospectus after the Company has notified such Holder in writing that the prospectus is outdated or defective and prior to the receipt by such Holder of the advice contemplated in Section 4(f). In no event shall the liability of any selling Holder hereunder be greater in amount than the dollar amount of the net proceeds received by such Holder upon the sale of the Registrable Securities giving rise to such indemnification obligation.

(c) Promptly after receipt by an indemnified party of notice of the commencement of any action or proceeding involving a claim referred to in this Section (including any governmental action), such indemnified party shall, if a claim in respect thereof is to be made against an indemnifying party, give written notice to the indemnifying party of the commencement of such action; provided, 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, except to the extent that the indemnifying party is actually prejudiced by such failure to give notice. In case any such action is brought against an indemnified party, unless in the reasonable judgment of counsel to such indemnified party a conflict of interest between such indemnified and indemnifying parties may exist or the indemnified party may have defenses not available to the indemnifying party in respect of such claim, the indemnifying party shall be entitled to participate in and to assume the defense thereof, with counsel reasonably satisfactory to such indemnified 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 for any legal or other expenses subsequently incurred by the latter in connection with the defense thereof, unless in such indemnified party's reasonable judgment a conflict of interest between such indemnified and indemnifying parties arises in respect of such claim after the assumption of the defenses thereof or the indemnifying party fails to defend such claim in a diligent manner, other than reasonable costs of investigation. Neither an indemnified nor an indemnifying party shall be liable for any settlement of any action or proceeding effected without its consent. No indemnifying party shall, without the consent of the indemnified party, consent to entry of any judgment or enter into any settlement, which 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 of such claim or litigation. Notwithstanding anything to the contrary set forth herein, and without limiting any of the rights set forth above, in any event any party shall have the right to retain, at its own expense, counsel with respect to the defense of a claim.

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(d) If an indemnifying party does or is not permitted to assume the defense of an action pursuant to Sections 9(c) or in the case of the expense reimbursement obligation set forth in Sections 9(a) and (b), the indemnification required by Sections 9(a) and 9(b) shall be made by periodic payments of the amount thereof during the course of the investigation or defense, as and when bills received or expenses, losses, damages, or liabilities are incurred.

(e) If the indemnification provided for in Section 9(a) or 9(b) 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, the indemnifying party, in lieu of indemnifying such indemnified party hereunder, shall (i) contribute to the amount paid or payable by such indemnified party as a result of such loss, liability, claim, damage or expense as is appropriate to reflect the proportionate relative fault of the indemnifying party on the one hand and the indemnified party on the other (determined by reference to, among other things, whether the untrue or alleged untrue statement of a material fact or omission relates to information supplied by the indemnifying party or the indemnified party and the parties' relative intent, knowledge, access to information and opportunity to correct or prevent such untrue statement or omission), or (ii) if the allocation provided by clause (i) above is not permitted by applicable law or provides a lesser sum to the indemnified party than the amount hereinafter calculated, not only the proportionate relative fault of the indemnifying party and the indemnified party, but also the relative benefits received by the indemnifying party on the one hand and the indemnified party on the other, as well as any other relevant equitable considerations. No indemnified party guilty of fraudulent misrepresentation (within the meaning of Section 11(f) of the Securities Act) shall be entitled to contribution from any indemnifying party who was not guilty of such fraudulent misrepresentation.

(f) Other Indemnification. Indemnification similar to that specified in this Section (with appropriate modifications) shall be given by the Company and each Holder of Registrable Securities with respect to any required registration or other qualification of securities under any federal or state law or regulation or governmental authority other than the Securities Act.

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10. Rule 144. With a view to making available to the Holders the benefits of Rule 144 and any other rule or regulation of the Commission that may at any time permit the Holders to sell the Registrable Securities to the public without registration, the Company agrees: (i) to make and keep public information available as those terms are understood in Rule 144, (ii) to file with the Commission in a timely manner all reports and other documents required to be filed by an issuer of securities registered under the Securities Act or the Exchange Act pursuant to Rule 144, (iii) as long as any Holder owns any Registrable Securities, to furnish in writing upon such Holder's request a written statement by the Company that it has complied with the reporting requirements of Rule 144 and of the Securities Act and the Exchange Act, and to furnish to such Holder a copy of the most recent annual or quarterly report of the Company, and such other reports and documents so filed by the Company as may be reasonably requested in availing such Holder of any rule or regulation of the Commission permitting the selling of any such Registrable Securities without registration and (iv) undertake any additional actions commercially reasonably necessary to maintain the availability of the use of Rule 144.

11. Independent Nature of Each Purchaser's Obligations and Rights. The obligations of each Purchaser under this Agreement are several and not joint with the obligations of any other Purchaser, and each Purchaser shall not be responsible in any way for the performance of the obligations of any other Purchaser under this Agreement. Nothing contained herein and no action taken by any Purchaser pursuant hereto, shall be deemed to constitute such Purchasers as a partnership, an association, a joint venture, or any other kind of entity, or create a presumption that the Purchasers are in any way acting in concert or as a group with respect to such obligations or the transactions contemplated by this Agreement. Each Purchaser shall be entitled to independently protect and enforce its rights, including without limitation the rights arising out of this Agreement, and it shall not be necessary for any other Purchaser to be joined as an additional party in any proceeding for such purpose.

12. Other Registration Rights. The Company shall not grant any additional registration rights other than those contemplated herein without the consent of the Majority Holders prior to the effectiveness of the Registration Statement other than, in the case of the Company (i) a registration relating solely to employee benefit plans or securities issued or issuable to employees, consultants (to the extent the securities owned or to be owned by such consultants could be registered on Form S-8) or any of their Family Members (including a registration on Form S-8) or (ii) a registration on Form S-4 in connection with a merger, acquisition, divestiture, reorganization or similar event

13. Miscellaneous.

(a) Governing Law. This Agreement shall be governed by and construed in accordance with the laws of the United States of America and the State of New York, both substantive and remedial, without regard to New York conflicts of law principles. Any judicial proceeding brought against either of the parties to this Agreement or any dispute arising out of this Agreement or any matter related hereto shall be brought in the courts of the State of New York, New York County, or in the United States District Court for the Southern District of New York and, by its execution and delivery of this Agreement, each party to this Agreement accepts the jurisdiction of such courts. The foregoing consent to jurisdiction shall not be deemed to confer rights on any person other than the parties to this Agreement.

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

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(c) Successors and Assigns. Except as otherwise provided herein, the provisions hereof shall inure to the benefit of, and be binding upon, the successors, Permitted Assignees, executors and administrators of the parties hereto.

(d) No Inconsistent Agreements. The Company has not entered, as of the date hereof, and shall not enter, on or after the date of this Agreement, into any agreement with respect to its securities that would have the effect of impairing the rights granted to the Holders in this Agreement or otherwise conflicts with the provisions hereof.

(e) Entire Agreement. This Agreement constitutes the full and entire understanding and agreement between the parties with regard to the subjects hereof.

(f) Notices, etc. All notices or other communications which are required or permitted under this Agreement shall be in writing and sufficient if delivered by hand, by facsimile transmission, by registered or certified mail, postage pre-paid, by electronic mail, or by courier or overnight carrier, to the persons at the addresses set forth below (or at such other address as may be provided hereunder), and shall be deemed to have been delivered as of the date so delivered:

If to the Company to:

Corbus Pharmaceuticals Holdings, Inc.  
One Kendall Square, Bldg 200,  
Cambridge, MA 02139,  
Attn: Yuval Cohen, CEO  
E-mail: ycohen@corbuspharma.com

with copy to:

Lowenstein Sandler LLP  
1251 Avenue of the Americas  
New York, NY 10020  
Attn: Steven M. Skolnick, Esq.  
Facsimile: (973) 597 2477

If to the Purchasers:

To each Purchaser at the address set forth on the signature page hereto or at such other address as any party shall have furnished to the other parties in writing.

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(g) Delays or Omissions. No delay or omission to exercise any right, power or remedy accruing to any Holder, upon any breach or default of the Company under this Agreement, shall impair any such right, power or remedy of such Holder nor shall it be construed to be a waiver of any such breach or default, or an acquiescence therein, or of any similar breach or default thereunder 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 Holder of any breach or default under this Agreement, or any waiver on the part of any Holder 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 holder, shall be cumulative and not alternative.

(h) Counterparts. This Agreement may be executed in any number of counterparts, each of which shall be enforceable against the parties actually executing such counterparts, and all of which together shall constitute one instrument. In the event that any signature is delivered by facsimile transmission or electronic transmission via .PDF file, such signature shall create a valid and binding obligation of the party executing (or on whose behalf such signature is executed) with the same force and effect as if such facsimile or electronic signature page were an original thereof.

(i) Severability. In the case any provision of this Agreement shall be invalid, illegal or unenforceable, the validity, legality and enforceability of the remaining provisions shall not in any way be affected or impaired thereby.

(j) Amendments. The provisions of this Agreement may be amended at any time and from time to time, and particular provisions of this Agreement may be waived, with and only with an agreement or consent in writing signed by the Company and the Majority Holders. The Purchasers acknowledge that by the operation of this Section, the Majority Holders may have the right and power to diminish or eliminate all rights of the Purchasers under this Agreement.

**[SIGNATURE PAGES FOLLOW]**

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This Registration Rights Agreement is hereby executed as of the date first above written.

**COMPANY:**

**CORBUS PHARMACEUTICALS HOLDINGS,  
INC.**

By: \_\_\_\_\_  
Name: Yuval Cohen  
Title: Chief Executive Officer

**EACH PURCHASER'S SIGNATURE TO THE SUBSCRIPTION AGREEMENT DATED OF  
EVEN DATE HERewith SHALL CONSTITUTE THE PURCHASER'S SIGNATURE TO  
THIS REGISTRATION RIGHTS AGREEMENT.**

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This Registration Rights Agreement is hereby executed as of the date first above written.

**JBT Holders:**

**Entity:**

**Name of Entity:** \_\_\_\_\_

By \_\_\_\_\_

Name and Title: \_\_\_\_\_

Address: \_\_\_\_\_

\_\_\_\_\_

Email: \_\_\_\_\_

**Individual:**

By \_\_\_\_\_

Name: \_\_\_\_\_

Address: \_\_\_\_\_

\_\_\_\_\_

Email: \_\_\_\_\_

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**Exhibit A**

Selling Stockholder Questionnaire

[See Attached.]

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CORBUS PHARMACEUTICALS HOLDINGS, INC.  
STOCKHOLDERS' QUESTIONNAIRE

The following information is requested from you in connection with the preparation and filing by Corbus Pharmaceuticals Holdings, Inc. (the "Company") of a Registration Statement on Form S-1 or other appropriate form (the "Registration Statement") with the Securities and Exchange Commission (the "SEC") covering the sale of shares of the Company's common stock, including shares of common stock underlying certain Warrants (the "Registrable Securities") by certain stockholders of the Company.

We would appreciate your answering all of the questions included in this questionnaire, even though your answers may be in the negative, so that the Company will have a record of your responses for use in connection with the preparation of the Registration Statement. It is requested that you give careful attention to each question and that you complete this questionnaire personally.

In order to assist you in completing this questionnaire, certain terms used herein are defined in the appendix which is attached to this questionnaire. Each of such defined terms has been ***bolded and italicized*** for identification. The term "person," as used in this questionnaire, means any natural person, company, government or political subdivision, agency or instrumentality of a government.

**After you have completed the following questionnaire, please send the completed questionnaire by e-mail at [kdougherty@lowenstein.com](mailto:kdougherty@lowenstein.com) or overnight courier as soon as possible to the attention of Kate Dougherty, Esq. at Lowenstein Sandler LLP, 1251 Avenue of the Americas, 17<sup>th</sup> Floor, New York, NY 10020.**

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### General Information

1. Please provide your full name and address or the full name and address of the entity on whose behalf you are completing this questionnaire. The address may be a business, mailing or residence address.

Name: \_\_\_\_\_

Address: \_\_\_\_\_

If you are answering this questionnaire on behalf of a corporate entity, please state your name and position with the selling shareholder.

Name: \_\_\_\_\_

Position: \_\_\_\_\_

2. Name the Control Person of your organization: \_\_\_\_\_

3. (a) Are you a broker-dealer registered pursuant to Section 15 of the Exchange Act?

Yes                       No

(b) If your response to Item 3(a) above is no, are you an "affiliate"<sup>1</sup> of a broker-dealer registered pursuant to Section 15 of the Exchange Act?

Yes                       No

(c) Please provide the full legal name of the person through which you hold the Registrable Securities—(i.e. name of your broker, if applicable, through which your Registrable Securities are held):

Name of broker: \_\_\_\_\_

Contact person: \_\_\_\_\_

Telephone No.: \_\_\_\_\_

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<sup>1</sup> For the purposes of this Item 3(b), an "affiliate" of a registered broker dealer shall include any company that directly, or indirectly through one or more intermediaries, controls, or is controlled by, or is under common control with, such broker dealer, and does not include any individuals employed by such broker dealer or its affiliates.

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## Securities Holdings

### Existing Holders:

Please fill in all blanks in the following questions related to your *beneficial ownership* of the Company's common stock.

Generally, a *beneficial owner* of a security is a person who, directly or indirectly, through any contract, arrangement, understanding, relationship or otherwise has or shares either:

- (i) voting power, which includes the power to vote, or to direct the voting of such security; and/or
- (ii) investment power, which includes the power to dispose, or to direct the disposition of, such security, even though he or she may not be the holder of record of the securities.

Thus, securities held in "street name" over which you exercise voting or investment power would be considered *beneficially owned* by you. Other examples of indirect ownership include ownership by a partnership in which you are a partner or by an estate or trust of which you or any member of your *immediate family* is a beneficiary. Ownership of securities held in the names of your spouse, minor children or other relatives who live in the same household may be attributed to you.

If you have any reason to believe that any interest in securities of the Company which you may have, however remote, is a beneficial interest, please describe such interest. For purposes of responding to this questionnaire, it is preferable to err on the side of inclusion rather than exclusion.

Where the SEC's interpretation of *beneficial ownership* would require disclosure of your interest or possible interest in certain securities of the Company, and you believe that you do not actually possess the attributes of *beneficial ownership*, an appropriate response is to disclose the interest and at the same time disclaim *beneficial ownership* of the securities.

Please indicate the amount of common stock of the Company or any of its subsidiaries which you *beneficially owned* as of the date hereof.

Number of Shares	Registered in the Name of	Beneficially Owned by	Shares to be Sold	Remarks

For each holding:

- State the nature of the holding (*i.e.*, held in your own name, jointly, as a trustee or beneficiary of a trust, as a custodian, as an executor, in discretionary accounts, by your spouse or minor children, by a partnership of which you are a partner, etc.), and
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- State whether you are the **beneficial owner** by reason of (i) sole voting power, (ii) shared voting power, (iii) sole investment power, (iv) shared investment power, (v) the right to acquire stock within 60 days of the end of the calendar year, (vi) the right to acquire stock with the purpose of changing or influencing control; and/or (vii) a security-based swap that you hold that gives you voting or investment power over the underlying Company stock (even though you may not directly hold the underlying Company stock).
  - Indicate in the Remarks column below whether you have sole or shared voting or investment power with respect to any such securities, and in what capacity (*i.e.*, individual, general partner, trustee) you have such power or powers.
  - If you wish to disclaim **beneficial ownership** of any shares listed, so indicate by writing the word “Disclaim” in the Remarks column below; you understand that such shares will be shown separately from your beneficial holdings and an appropriate disclaimer set forth.
  - If any of the shares listed are subject to any claim, encumbrance, pledge or lien, so indicate in the Remarks column.
-

**Existing Holders and New Investors:**

**1. Your Interest in the Registrable Securities**

(a) State the number of such Registrable Securities beneficially owned by you.

Common stock: \_\_\_\_\_

Warrants: \_\_\_\_\_

(b) Other than as set forth in your response to Item 1(a) above, do you beneficially own any other securities of the Company?

Yes                       No

(c) If your answer to Item 1(b) above is yes, state the type, the aggregate amount and CUSIP No. (if applicable) of such other securities of the Company beneficially owned by you:

Type: \_\_\_\_\_

Aggregate amount: \_\_\_\_\_

CUSIP No.: \_\_\_\_\_

(d) Did you acquire the securities listed in Item 1(a) above in the ordinary course of business?

Yes                       No

(e) At the time of your purchase of the securities listed in Item 1(a) above, did you have any agreements or understandings, directly or indirectly, with any person to distribute the securities?

Yes                       No

(f) If your response to Item 1(e) above is yes, please describe such agreements or understandings:

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2. **Nature of Your Beneficial Ownership**

- (a) Does someone other than you have **control** over the securities listed in Item 1(a) above?  
 Yes                       No

(b) If your response to Item 2(a) above is yes, name your controlling shareholder(s) or other person who has the ability to exercise control over you (the "Controlling Entity"). If the Controlling Entity is not a natural person and is not a publicly held entity, name each shareholder of such Controlling Entity. If any of these named shareholders are not natural persons or publicly held entities, please provide the same information. This process should be repeated until you reach natural persons or a publicly held entity.

(A)(i) Full legal name of Controlling Entity(ies) or natural person(s) with who have sole or shared voting or dispositive power over the Registrable Securities:  
Business address (including street address) (or residence if no business address), telephone number and facsimile number of such person(s):  
Address: \_\_\_\_\_  
\_\_\_\_\_  
Telephone: \_\_\_\_\_  
Fax: \_\_\_\_\_  
Name of shareholder: \_\_\_\_\_  
\_\_\_\_\_

(B)(i) Full legal name of Controlling Entity(ies):  
\_\_\_\_\_  
\_\_\_\_\_  
Business address (including street address) (or residence if no business address), telephone number and facsimile number of such person(s):  
Address: \_\_\_\_\_  
\_\_\_\_\_  
Telephone: \_\_\_\_\_  
Fax: \_\_\_\_\_  
Name of shareholders: \_\_\_\_\_  
\_\_\_\_\_

If you need more space for this response, please attach additional sheets of paper. Please be sure to indicate your name and the number of the item being responded to on each such additional sheet of paper, and to sign each such additional sheet of paper before attaching it to this Questionnaire.

\_\_\_\_\_

Please note that you may be asked to answer additional questions depending on your responses to the following questions.

**3. 5% Stockholders**

Do you or any of your *associates* (including corporations, partnerships, trusts, associations and other such groups) *beneficially own* more than 5% of any class of the Company's stock?

Yes                       No

If the answer is yes, please describe such persons and their holdings below:

Name of Beneficial Owner	Class of Shares Beneficially Owned	Holder of Voting or Investment Power
_____	_____	_____

**4. No Adverse Interest**

Do or will you or any of your *associates* have any interests that are adverse to the Company interests in any pending or contemplated legal proceeding or government investigation to which the Company is or will be a party (or to which its property may be subject)?

Yes                       No

If yes, please describe such interests below:

**5. Voting Arrangement**

Do you have knowledge of any voting trusts or similar agreements or *arrangements* pursuant to which more than 5% of the Company's outstanding common stock, on an as converted basis, is subject are described below:

Yes                       No

If yes, please describe such agreements or arrangements below:

Names and Addresses of Voting Trustees	Voting Rights and Other Powers Under Trust, Agreement or Arrangement
_____	_____
_____	_____

**6. Change in Control**

Are you aware of any *arrangements*, including any pledge by any person of securities of the Company, the operations of which may at a subsequent date result in a change in *control* of the Company?

Yes                       No

**If yes**, please describe such arrangements below:

**7. Transactions with the Company**

Have you or any of your associates had any *material* interests in any actual or proposed transaction during the last three fiscal years to which the Company was or is to be a party (and that are identified under "Securities Holdings" above)?

Yes                       No

**If yes**, please describe such interests below:<sup>2</sup>

**8. Affiliation with Accountants or Attorneys**

Do you have any interest, affiliation or connection with any law firm or accounting firm that has been retained by the Company during the last three fiscal years or is proposed to be retained by the Company?

Yes                       No

**If yes**, please describe such interest, affiliation or connection below:

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<sup>2</sup> No such transaction need be described if:

- (a) the amount involved (including all periodic installments in the case of any lease or other agreement provided for periodic payments or installments and including the value of all transactions in a series of similar transactions) does not exceed \$60,000;
  - (b) the rates or charges involved in the transaction are fixed by law or governmental authority or determined by competitive bids;
  - (c) the services involved are as a bank depository of funds, transfer agent, registrar, trustee under a trust indenture or other similar service;
  - (d) your interest arises solely from my ownership of securities of the Company and you received no extra or special benefit not shared on a pro rata basis by all other holders of securities in the same class;
  - (e) your interest in the corporation that is a party to the transaction is solely as a director; or
  - (f) your interest arose solely as an officer and/or director of the Company (e.g., your compensation arrangement with the Company).
-

**9. Contracts with the Company**

Are you or any of your *associates* a party to any contracts with the Company or in which the Company has a beneficial interest, or to which the Company has succeeded by assumption or assignment, which are to be performed in whole or in part at or after the date of the proposed filing of the Registration Statement, or which were made not more than two years prior thereto?

Yes

No

If yes, please describe such contract(s) below:

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### FINRA-Related Questions

1. Are you (i) a “member” of the Financial Industries Regulatory Authority, Inc. (“FINRA”), (ii) an “affiliate” of a member of FINRA, (iii) a “person associated with a member” or “associated person of a member” of FINRA or (iv) associated with an “underwriter or related person” with respect to the proposed public offering of the Company’s securities?

Yes  No

For the sole purpose of this Question: (i) FINRA generally defines a “member” to include any broker or dealer admitted to membership in FINRA or any officer or partner of such a member or the executive representative of such member or the substitute for such representative; (ii) the term “affiliate” means a person that directly, or indirectly through one or more intermediaries, controls, or is controlled by, or is in common control with the person specified. Persons who have acted or are acting on behalf or for the benefit of a person include, but are not necessarily limited to, directors, officers, employees, agents, consultants and sales representatives; (iii) FINRA generally defines a “person associated with a member” or “associated person of a member” to include every sole proprietor, partner, officer, director or branch manager of any member, or any natural person occupying a similar status or performing similar functions, or any natural person engaged in the investment banking or securities business who is directly or indirectly controlling or controlled by such member (for example, any employee), whether or not any such person is registered or exempt from registration with FINRA; and (iv) the term “underwriter or related person” includes, with respect to a proposed offering, underwriters, underwriters’ counsel, financial consultants and advisers, finders, members of the selling or distribution group, and any and all other persons associated with or related to any such persons.

If yes, kindly describe such relationship (whether direct or indirect) and please respond to Questions (2) and (3) below; if no, please proceed to Question (4).

2. Please set forth information as to all purchases and acquisitions (including contracts for purchase or acquisition) of securities of the Company by you, regardless of the time acquired or the source from which derived:

Seller or Prospective Seller	Amount and Nature of Securities	Price or Other Consideration	Date

3. In connection with your direct or indirect affiliation or association with a “member” of FINRA as set forth above in Question (1), please furnish the identity of such FINRA member and any information, if known, as to whether such FINRA member intends to participate in any capacity in this proposed initial public offering, including the details of such participation:

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4. Please describe any underwriting compensation and arrangement or any dealings known to you between any “underwriter or related person”, “member” of FINRA, “affiliate” of a member of FINRA, “person associated with a member”, or “associated person of a member” of FINRA on the one hand and the Company or controlling shareholder thereof on the other hand, other than information relating to the proposed initial public offering of the Company:

5. Please set out below any information, if known, as to whether any “member” of FINRA, any “underwriter or related person”, “affiliate” or a member of FINRA, “person associated with a member” or “associated person of a member” of FINRA may receive any portion of the net offering:

For subscribers answering “Yes” to Item 1 above:

The undersigned FINRA member form acknowledges receipt of the notice required by Article 3, Sections 28(a) and (b) of the Rules of Fair Practice.

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Name of FINRA Member Firm

By: \_\_\_\_\_ Date: \_\_\_\_\_  
Authorized Officer

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*The undersigned (including its donees or pledgees) intends to distribute the Registrable Securities listed above pursuant to the Registration Statement only as follows (if at all): Such Registrable Securities may be sold from time to time directly by the undersigned or, alternatively, through underwriters, broker-dealers or agents. If the Registrable Securities are sold through underwriters, broker-dealers or agents, the selling holder will be responsible for underwriting discounts or commissions or agents' commissions. Such Registrable Securities may be sold in one or more transactions at fixed prices, at prevailing market prices at the time of sale, at varying prices determined at the time of sale or at negotiated prices. Such sales may be effected in transactions (which may involve block transactions) (i) on any national securities exchange or quotation service on which the Registrable Securities may be listed or quoted at the time of sale, (ii) in the over-the-counter market, or (iii) in transactions otherwise than on such exchanges or services or in the over-the-counter market.*

I understand that material misstatements or the omission of material facts in the Registration Statement may give rise to civil and criminal liabilities to the Company, to each officer and director of the Company signing the Registration Statement and other persons signing the Registration Statement. I will notify you and the Company of any misstatement of a material fact in the Registration Statement or any amendment thereto, and of the omission of any material fact necessary to make the statements contained therein not misleading, as soon as practicable after a copy of the Registration Statement or any such amendment has been provided to me.

I confirm that the foregoing statements are correct, to the best of my knowledge and belief.

Dated: \_\_\_\_\_.

Very truly yours,

\_\_\_\_\_  
(Signature)

\_\_\_\_\_  
(Typed or Printed Name)

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## Definitions

The term “*arrangement*” means any plan, contract, authorization or understanding whether or not set forth in a formal document.

The term “*associate*” as used throughout this questionnaire, means (a) any corporation or organization (other than the Company) of which I am an officer, director or partner or of which I am, directly or indirectly, the beneficial owner of 5% or more of any class of equity securities, (b) any trust or other estate in which I have a substantial beneficial interest or as to which I serve as trustee or in a similar capacity, (c) my spouse, (d) any relative of my spouse or any relative of mine who has the same home as me or who is a director or officer or key executive of the Company, (e) any partner, syndicate member or person with whom I have agreed to act in concert with respect to the acquisition, holding, voting or disposition of shares of the Company’s securities.

The term “*beneficially owned*” when used in connection with the ownership of securities, means (a) any interest in a security which entitles me to any of the rights or benefits of ownership even though I may not be the owner of record or (b) securities owned by me directly or indirectly, including those held by me for my own benefit (regardless of how registered) and securities held by others for my benefit (regardless of how registered), such as by custodians, brokers, nominees, pledgees, etc., and including securities held by an estate or trust in which I have an interest as legatee or beneficiary, securities owned by a partnership of which I am a partner, securities held by a personal holding company of which I am a stockholder, etc., and securities held in the name of my spouse, minor children and any relative (sharing the same home). A “beneficial owner” of a security includes any person who, directly or indirectly, through any contract, arrangement, understanding, relationship or otherwise has or shares:

- (a) voting power which includes the power to vote, or to direct the voting of, such security; and/or
- (b) investment power which includes the power to dispose, or to direct the disposition, of such security.

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

The term “*immediate family*” means any relationship by blood, marriage or adoption, not more remote than first cousin.

The term “*material*,” when used in this questionnaire to qualify a requirement for the furnishing of information as to any subject, limits the information required to those matters as to which an average prudent investor ought reasonably to be informed before purchasing the Common Stock of the Company.

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## PLACEMENT AGENCY AGREEMENT

March 27, 2014

Aegis Capital Corp.  
810 Seventh Ave, 11th Floor  
New York, NY 10019

Re: JB Therapeutics, Inc. and Corbus Pharmaceuticals Holdings, Inc.

Ladies and Gentlemen:

This Placement Agency Agreement ("**Agreement**") sets forth the terms upon which Aegis Capital Corp., a New York corporation, and a registered broker-dealer and member of the Financial Industry Regulatory Authority ("**FINRA**") (the "**Placement Agent**"), shall be engaged by JB Therapeutics, Inc., a Delaware corporation ("**JBT**") and Corbus Pharmaceuticals Holdings, Inc., a Delaware corporation ("**Issuer**"), to act as exclusive Placement Agent in connection with the private placement (the "**Offering**") of units ("**Units**") of securities of Issuer, with each Unit consisting of (i) 250,000 shares of common stock, par value \$0.0001 per share (the "**Common Stock**"), of Issuer (the "**Shares**") and (ii) 250,000 warrants (the "**Warrants**"), with each Warrant entitling the holder to purchase one share of Common Stock for a five-year period at an exercise price of \$1.00 per share. The Offering will consist of a minimum of 18 Units (\$4,500,000) (the "**Minimum Amount**") and a maximum of 36 Units (\$9,000,000) (the "**Maximum Amount**"). In the event the Offering is oversubscribed, JBT and the Placement Agent may, in their mutual discretion, have Issuer sell up to 16 additional Units for an additional aggregate purchase price of \$4,000,000 (the "**Over-allotment**"). Concurrently with the initial closing of the Offering, a wholly-owned subsidiary of Issuer will merge with and into JBT and, with the proceeds of the Offering, will continue the existing operations of JBT as a wholly owned subsidiary of Issuer by the name of Corbus Pharmaceuticals, Inc. (the "**Merger**").

As part of or in conjunction with the Merger, Issuer will issue shares of its Common Stock and warrants to (i) JBT's then-existing securityholders as the consideration in the Merger pursuant to the terms of the Merger Agreement dated the date hereof among JBT, Issuer and a subsidiary of Issuer (the "**Merger Agreement**") and (ii) the investors in the Offering as further described in the Memorandum (as hereinafter defined). As used in this Agreement, unless the context otherwise requires, the term "**Company**" refers to Issuer and JBT on a combined basis after giving effect to the Offering and the Merger.

The purchase price for the Units will be \$250,000 per Unit (the "**Offering Price**"), with a minimum investment of one Unit; *provided, however*, that subscriptions for lesser amounts may be accepted in JBT's and Placement Agent's joint discretion. The Placement Agent shall accept subscriptions only from persons or entities who qualify as "accredited investors," as such term is defined in Rule 501 of Regulation D ("**Regulation D**") as promulgated by the United States Securities and Exchange Commission (the "**SEC**") under Section 4(a)(2) of the Securities Act of 1933, as amended (the "**Act**"). The Units will be offered until the earlier of (i) the termination of the Offering as provided herein, (ii) the time that all Units offered in the Offering are sold or (iii) May \_\_, 2014 [**60 days from PPM**] ("**Initial Offering Period**"), which date may be extended by the Placement Agent and JBT in their joint discretion until June \_\_, 2014 [**additional 30 days**] (this additional period and the Initial Offering Period shall be referred to as the "**Offering Period**"). The date on which the Offering expires or is terminated shall be referred to as the "**Termination Date**."

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With respect to the Offering, JBT and Issuer shall provide the Placement Agent, on terms set forth herein, the right to offer and sell all of the Units being offered. Purchases of Units may be made by the Placement Agent and its officers, directors, employees and affiliates. All such purchases, together with purchases by officers, directors, employees and affiliates of JBT or Issuer, may be used to satisfy the Minimum Amount if the Minimum Amount has not been subscribed for on or before the end of the Offering Period. It is understood that no sale shall be regarded as effective unless and until accepted by the Issuer and JBT. The Issuer and JBT may, in their joint discretion, accept or reject, in whole or in part, any prospective investment in the Units. JBT and the Placement Agent shall mutually agree with respect to allotting any prospective subscriber less than the number of Units that such subscriber desires to purchase.

The Offering will be made by Issuer solely pursuant to the Memorandum, which at all times will be in form and substance reasonably acceptable to Issuer, JBT, the Placement Agent and their respective counsel and contain such legends and other information as Issuer, JBT, the Placement Agent and their respective counsel, may, from time to time, deem necessary and desirable to be set forth therein. “**Memorandum**” as used in this Agreement means Issuer’s Confidential Private Placement Memorandum dated on or about March \_\_, 2014, inclusive of all annexes, and all amendments, supplements and appendices thereto.

1. Appointment of Placement Agent. On the basis of the representations and warranties provided herein, and subject to the terms and conditions set forth herein, the Placement Agent is appointed as exclusive Placement Agent for JBT and Issuer during the Offering Period to assist JBT and Issuer in finding qualified subscribers for the Offering. The Placement Agent may sell Units through other broker-dealers who are FINRA members and may reallocate all or a portion of the Agent Compensation (as defined in Section 3(b) below) it receives to such other broker-dealers. Placement Agent shall provide prompt notification to the Company to the extent such other broker-dealers are engaged. On the basis of such representations and warranties and subject to such terms and conditions, the Placement Agent hereby accepts such appointment and agrees to perform its services hereunder diligently and in good faith and in a professional and businesslike manner and to use its reasonable efforts to assist JBT and Issuer in (A) finding subscribers of Units who qualify as “accredited investors,” as such term is defined in Rule 501 of Regulation D, and (B) completing the Offering. The Placement Agent has no obligation to purchase any of the Units. Unless sooner terminated in accordance with this Agreement, the engagement of the Placement Agent hereunder shall continue until the later of the Termination Date or the Final Closing (as defined below).

2. Representations, Warranties and Covenants of JBT. The representations, warranties and covenants of JBT (as used in this Section 2, “JBT” refers to JB Therapeutics, Inc. and its subsidiaries, if any) to the Placement Agent contained in this Section 2 are true and correct as of the date of this Agreement.

(a) The Memorandum has been prepared by JBT, in conformity with all applicable laws, and is in compliance in all material respects with Regulation D and Section 4(a)(2) of the Act and the requirements of all other rules and regulations (the “**Regulations**”) of the SEC relating to offerings of the type contemplated by the Offering, and the applicable securities laws and the rules and regulations of those jurisdictions wherein the Placement Agent notifies JBT that the Units are to be offered and sold excluding any foreign jurisdictions. The Units will be offered and sold pursuant to the registration exemption provided by Regulation D and Section 4(a)(2) of the Act as a transaction not involving a public offering and the requirements of any other applicable state securities laws and the respective rules and regulations thereunder in those United States jurisdictions in which the Placement Agent notifies JBT that the Units are being offered for sale. None of JBT, its affiliates, or any person acting on its or their behalf (other than the Placement Agent, its affiliates or any person acting on its behalf, in respect of which no representation is made) has taken nor will it take any action that conflicts with the conditions and requirements of, or that would make unavailable with respect to the Offering, the exemption(s) from registration available pursuant to Rule 506(b) of Regulation D or Section 4(a)(2) of the Act, or knows of any reason why any such exemption would be otherwise unavailable to it. None of JBT, its predecessors or affiliates has been subject to any order, judgment or decree of any court of competent jurisdiction temporarily, preliminarily or permanently enjoining such person for failing to comply with Section 503 of Regulation D. Except for the sale of 103,642 shares of Series A preferred stock, JBT has not, for a period of six months prior to the commencement of the offering of Units, sold, offered for sale or solicited any offer to buy any of its securities in a manner that would be integrated with the offer and sale of the Units pursuant to this Agreement and would cause the exemption from registration set forth in Rule 506(b) of Regulation D to become unavailable with respect to the offer and sale of the Units pursuant to this Agreement in the United States.

(b) The Memorandum does not include any untrue statement of a material fact or omit to state any material fact required to be stated therein or necessary to make the statements therein, in light of the circumstances under which they were made, not misleading: provided, however, the foregoing does not apply to any statements or omissions made solely in reliance on and in conformity with written information furnished to JBT by Issuer or the Placement Agent specifically for use in the preparation thereof. To the knowledge of JBT, none of the statements, documents, certificates or other items made, prepared or supplied by JBT with respect to the transactions contemplated hereby contains an untrue statement of a material fact or omits to state a material fact necessary to make the statements contained therein not misleading in light of the circumstances in which they were made. There is no fact which JBT has not disclosed in the Memorandum and of which JBT is aware that materially adversely affects or that could reasonably be expected to have a material adverse effect on the (i) assets, liabilities, results of operations, condition (financial or otherwise), business or business prospects of JBT or (ii) the ability of JBT to perform its obligations under this Agreement. Notwithstanding anything to the contrary herein, JBT makes no representation or warranty with respect to any estimates, projections and other forecasts and plans (including the reasonableness of the assumptions underlying such estimates, projections and other forecasts and plans) that may have been delivered to the Placement Agent or its representatives or that are contained in the Memorandum, except that such estimates, projections and other forecasts and plans have been prepared in good faith on the basis of assumptions stated therein, which assumptions were believed to be reasonable at the time of such preparation.

(c) JBT is duly organized and validly existing in good standing under the laws of the jurisdiction in which it was formed, and has the requisite power and authority to own its properties and to carry on its business as now being conducted. JBT is not a participant in any joint venture, partnership or similar arrangement and does not directly or indirectly own any subsidiaries or otherwise own or hold capital stock or an equity or similar interest in any entity. JBT is duly qualified as a foreign entity to do business and is in good standing in every jurisdiction in which its ownership of property or the nature of the business conducted by it makes such qualification necessary, except to the extent that the failure to be so qualified or be in good standing would not have a JBT Material Adverse Effect. As used in this Agreement, “**JBT Material Adverse Effect**” means any material adverse effect on the business, properties, assets, operations, results of operations or condition (financial or otherwise) of JBT, taken as a whole, or on the transactions contemplated hereby and the other JBT Transaction Documents (as defined below) or by the agreements and instruments to be entered into in connection herewith or therewith, or on the authority or ability of JBT to perform its obligations under the JBT Transaction Documents (as defined below).

(d) JBT has all requisite corporate power and authority to conduct its business as presently conducted and as proposed to be conducted (as described in the Memorandum), to enter into and perform its obligations under this Agreement, the Subscription Agreement substantially in the form of Annex A to the Memorandum (the “**Subscription Agreement**”), the Registration Rights Agreement substantially in the form of Annex B to the Memorandum (the “**Registration Rights Agreement**”), and the other agreements contemplated hereby (this Agreement, the Subscription Agreement, the Registration Rights Agreement and the other agreements contemplated hereby that JBT is executing and delivering hereunder are collectively referred to herein as the “**JBT Transaction Documents**”). Prior to the initial closing of this Offering (the “**First Closing**”), each of the JBT Transaction Documents (other than this Agreement, which has already been authorized) will have been duly authorized. This Agreement has been duly authorized, executed and delivered and constitutes, and each of the other JBT Transaction Documents, upon due execution and delivery, will constitute, valid and binding obligations of JBT, enforceable against JBT in accordance with their respective terms (i) except as enforceability may be limited by applicable bankruptcy, insolvency, reorganization, moratorium or other similar laws now or hereafter in effect related to laws affecting creditors’ rights generally, including the effect of statutory and other laws regarding fraudulent conveyances and preferential transfers, and except that no representation is made herein regarding the enforceability of JBT’s obligations to provide indemnification and contribution remedies under the securities laws and (ii) subject to the limitations imposed by general equitable principles (regardless of whether such enforceability is considered in a proceeding at law or in equity).



(e) None of the execution and delivery of or performance by JBT under this Agreement or any of the other JBT Transaction Documents or the consummation of the transactions herein or therein contemplated conflicts with or violates, or will result in the creation or imposition of, any lien, charge or other encumbrance upon any of the assets of JBT under any agreement or other instrument to which JBT is a party or by which JBT or its assets may be bound, or any term of the certificate of incorporation or by-laws of JBT, or any license, permit, judgment, decree, order, statute, rule or regulation applicable to JBT or any of its assets, except in the case of a conflict, violation, lien, charge or other encumbrance (except with respect to JBT's Certificate of Incorporation or By-laws) which would not reasonably be expected to have a JBT Material Adverse Effect.

(f) JBT's unaudited financial statements, together with the related notes, if any, included in the Memorandum, present fairly, in all material respects, the financial position of JBT as of the dates specified and the results of operations for the periods covered thereby. Such unaudited financial statements and related notes were prepared to conform with United States generally accepted accounting principles applied on a consistent basis throughout the periods indicated. Except as set forth in such financial statements or otherwise disclosed in the Memorandum, JBT has no known material liabilities of any kind, whether accrued, absolute or contingent, or otherwise, and subsequent to the date of the Memorandum and prior to the date of the First Closing it shall not enter into any material transactions or commitments without promptly thereafter notifying the Placement Agent in writing of any such material transaction or commitment. The other financial and statistical information with respect to JBT and any pro forma information and related notes included in the Memorandum present fairly in all material respects the information shown therein on a basis consistent with the financial statements of JBT included in the Memorandum. JBT does not know of any facts, circumstances or conditions which could materially adversely affect its operations, earnings or prospects that have not been fully disclosed in the Memorandum.

(g) Except as disclosed in the Memorandum, since the date of JBT's most recent financial statements contained in the Memorandum, there has been no JBT Material Adverse Effect. Except as disclosed in the Memorandum, since the date of JBT's most recent financial statements contained in the memorandum, JBT has not (i) declared or paid any dividends, (ii) sold any assets, individually or in the aggregate, in excess of \$75,000 outside of the ordinary course of business or (iii) had capital expenditures, individually or in the aggregate, in excess of \$75,000. JBT has not taken any steps to seek protection pursuant to any bankruptcy law nor does JBT have any knowledge or reason to believe that its creditors intend to initiate involuntary bankruptcy proceedings or any actual knowledge of any fact which would reasonably lead a creditor to do so.

(h) Except as disclosed in the Memorandum, JBT (i) has no outstanding Indebtedness (as defined below) in excess of \$75,000, (ii) is not a party to any contract, agreement or instrument, the violation of which, or default under which, by the other party(ies) to such contract, agreement or instrument would result in a Material Adverse Effect, or (iii) is not in violation of any term of or in default under any contract, agreement or instrument relating to any Indebtedness, except where such violations and defaults would not result, individually or in the aggregate, in a Material Adverse Effect. For purposes of this Agreement: (x) “**Indebtedness**” of any Person means without duplication, (A) all indebtedness for borrowed money, (B) all obligations issued, undertaken or assumed as the deferred purchase price of property or services including (without limitation) “Capital Leases” (as defined under GAAP) (other than trade payables entered into in the ordinary course of business), (C) all reimbursement or payment obligations with respect to letters of credit, surety bonds and other similar instruments, (D) all obligations evidenced by notes, bonds, debentures or similar instruments, including obligations so evidenced incurred in connection with the acquisition of property, assets or businesses, (E) all indebtedness created or arising under any conditional sale or other title retention agreement, or incurred as financing, in either case with respect to any property or assets acquired with the proceeds of such indebtedness (even though the rights and remedies of the seller or bank under such agreement in the event of default are limited to repossession or sale of such property), (F) all monetary obligations under any leasing or similar arrangement which, in connection with GAAP, consistently applied for the periods covered thereby, is classified as a capital lease, (G) all indebtedness referred to in clauses (A) through (F) above secured by (or for which the holder of such Indebtedness has an existing right, contingent or otherwise, to be secured by) any mortgage, lien, pledge, charge, security interest or other encumbrance upon or in any property or assets (including accounts and contract rights) owned by any Person, even though the Person which owns such assets or property has not assumed or become liable for the payment of such indebtedness, and (H) except for obligations owed to service providers of JBT in connection with this Offering, all Contingent Obligations in respect of indebtedness or obligations of others of the kinds referred to in clauses (A) through (G) above of at least \$75,000; (y) “**Contingent Obligation**” means, as to any Person, any direct or indirect liability, contingent or otherwise, of that Person with respect to any indebtedness, lease, dividend or other obligation of another Person if the primary purpose or intent of the Person incurring such liability, or the primary effect thereof, is to provide assurance to the obligee of such liability that such liability will be paid or discharged, or that any agreements relating thereto will be complied with, or that the holders of such liability will be protected (in whole or in part) against loss with respect thereto; and (z) “**Person**” means an individual, a limited liability company, a partnership, a joint venture, a corporation, a trust, an unincorporated organization and a government or any department or agency thereof.

(i) The conduct of business by JBT as presently and proposed to be conducted is not subject to continuing oversight, supervision, regulation or examination by any governmental official or body of the United States, or any other jurisdiction wherein JBT conducts or proposes to conduct such business, except as described in the Memorandum. JBT has obtained all material licenses, permits and other governmental authorizations necessary to conduct its business as presently conducted. JBT has not received any notice of any violation of, or noncompliance with, any federal, state, local or foreign laws, ordinances, regulations and orders (including, without limitation, those relating to environmental protection, occupational safety and health, securities laws, equal employment opportunity, consumer protection, credit reporting, “truth-in-lending”, and warranties and trade practices) applicable to its business, the violation of, or noncompliance with, would have an JBT Material Adverse Effect, and JBT knows of no facts or set of circumstances which could give rise to such a notice.

(j) No default by JBT or, to the knowledge of JBT, any other party, exists in the due performance under any material agreement to which JBT is a party or to which any of its assets is subject (collectively, the “**JBT Agreements**”). The JBT Agreements disclosed in the Memorandum are the only material agreements to which JBT is bound or by which its assets are subject, are accurately described in the Memorandum and are in full force and effect in accordance with their respective terms, subject to any applicable bankruptcy, insolvency or other laws affecting the rights of creditors generally and to general equitable principles and the availability of specific performance.

(k) JBT owns all right, title and interest in, or possesses enforceable rights to use, all patents, patent applications, trademarks, service marks, copyrights, rights, licenses, franchises, trade secrets, confidential information, processes and formulations necessary for the conduct of its business as now conducted (collectively, the “**Intangibles**”). To the knowledge of JBT, JBT has not infringed upon the rights of others with respect to the Intangibles and, except as disclosed in the Memorandum, JBT has not received notice that it has or may have infringed or is infringing upon the rights of others with respect to the Intangibles, or any written notice of conflict with the asserted rights of others with respect to the Intangibles. To the knowledge of JBT, no others have infringed upon the rights of JBT with respect to the Intangibles. Except as set forth in the Memorandum, none of JBT’ Intangibles have expired or terminated, or are expected to expire or terminate, within three years from the date of this Agreement.

(l) JBT is not a party to any collective bargaining agreement nor does it employ any member of a union. No executive officer of JBT (as defined in Rule 501(f) of the Act) has notified JBT that such officer intends to leave JBT or otherwise terminate such officer's employment with JBT. No executive officer of JBT, to the knowledge of JBT, is in violation of any material term of any employment contract, confidentiality, disclosure or proprietary information agreement, non-competition agreement, or any other contract or agreement or any restrictive covenant, and the continued employment of each such executive officer does not subject JBT to any liability with respect to any of the foregoing matters. JBT is in compliance with all federal, state, local and foreign laws and regulations respecting labor, employment and employment practices and benefits, terms and conditions of employment and wages and hours, except where failure to be in compliance would not, either individually or in the aggregate, reasonably be expected to result in a JBT Material Adverse Effect.

(m) Subsequent to the respective dates as of which information is given in the Memorandum, JBT has operated its business in the ordinary course and, except as may otherwise be set forth in the Memorandum, there has been no: (i) JBT Material Adverse Effect; (ii) transaction otherwise than in the ordinary course of business consistent with past practice; (iii) issuance of any securities (debt or equity) or any rights to acquire any such securities other than pursuant to equity incentive plans approved by its Board of Directors; (iv) damage, loss or destruction, whether or not covered by insurance, with respect to any asset or property of JBT; or (v) agreement to permit any of the foregoing.

(n) Except as set forth in the Memorandum, there are no actions, suits, claims, hearings or proceedings pending before any court or governmental authority or, to the knowledge of JBT, threatened, against JBT, or involving its assets or any of its officers or directors (in their capacity as such) which, if determined adversely to JBT or such officer or director, could reasonably be expected to have an JBT Material Adverse Effect or adversely affect the transactions contemplated by this Agreement or the Merger Agreement (as hereinafter defined) or the enforceability thereof.

(o) JBT is not: (i) in violation of its Certificate of Incorporation or By-laws; (ii) in default of any indenture, mortgage, deed of trust, note or other agreement or instrument to which JBT is a party or by which it is or may be bound or to which any of its assets may be subject, the default of which could reasonably be expected to have an JBT Material Adverse Effect; (iii) in violation of any statute, rule or regulation applicable to JBT, the violation of which would have an JBT Material Adverse Effect; or (iv) in violation of any judgment, decree or order of any court or governmental body having jurisdiction over JBT and specifically naming JBT, which violation or violations individually, or in the aggregate, could reasonably be expected to have an JBT Material Adverse Effect.

(p) Except as disclosed in the Memorandum, as of the date of this Agreement, no current or former stockholder, director, officer or employee of JBT, nor, to the knowledge of JBT, any affiliate of any such person is presently, directly or indirectly through his affiliation with any other person or entity, a party to any loan from JBT or any other transaction (other than as an employee) with JBT providing for the furnishing of services by, or rental of any personal property from, or otherwise requiring cash payments to any such person.

(q) Except as disclosed in the Memorandum, JBT has filed, on a timely basis, each federal, state, local and foreign tax return, report and declarations that were required to be filed, or has requested an extension therefor and has paid all taxes and all related assessments, charges, penalties and interest to the extent that the same have become due. There are no unpaid taxes in any material amount claimed to be due by the taxing authority of any jurisdiction, and the officers of JBT know of no basis for any such claim. JBT has not executed a waiver with respect to the statute of limitations relating to the assessment or collection of any foreign, federal, state or local tax. To JBT's knowledge, none of JBT's tax returns is presently being audited by any taxing authority. No liens have been filed and no claims are being asserted by or against JBT with respect to any taxes (other than liens for taxes not yet due and payable). JBT has not received notice of assessment or proposed assessment of any taxes claimed to be owed by it or any other Person on its behalf. JBT is not a party to any tax sharing or tax indemnity agreement or any other agreement of a similar nature that remains in effect. JBT has complied in all material respects with all applicable legal requirements relating to the payment and withholding of taxes and, within the time and in the manner prescribed by law, has withheld from wages, fees and other payments and paid over to the proper governmental or regulatory authorities all amounts required.

(r) Neither JBT, nor any director, officer, agent, employee or other Person acting on behalf of JBT has, in the course of its actions for, or on behalf of, JBT (i) used any corporate funds for any unlawful contribution, gift, entertainment or other unlawful expenses relating to political activity; (ii) made any direct or indirect unlawful payment to any foreign or domestic government official or employee from corporate funds; (iii) violated or is in violation of any provision of the U.S. Foreign Corrupt Practices Act of 1977, as amended; or (iv) made any unlawful bribe, rebate, payoff, influence payment, kickback or other unlawful payment to any foreign or domestic government official or employee.

(s) JBT is not obligated to pay, and has not obligated the Placement Agent to pay, a finder's or origination fee in connection with the Offering (other than to the Placement Agent), and hereby agrees to indemnify the Placement Agent from any such claim made by any other person, as more fully set forth in Section 8 hereof. JBT has not offered for sale or solicited offers to purchase the Units except for negotiations with the Placement Agent. Notwithstanding the foregoing, JBT has informed the Placement Agent that JBT is obligated, pursuant to an agreement dated June 18, 2013, to pay certain cash and warrant compensation to Sunrise Securities Corp. to the extent any persons/entities set forth on Exhibit A hereto participate in the Offering (the "**Sunrise Obligation**"); the foregoing obligation shall not affect the Issuer's obligation to pay the Agent Compensation (as defined below) to the Placement Agent hereunder.

(t) Until the earlier of (i) the Termination Date and (ii) the Final Closing (as hereinafter defined), JBT will not issue any press release, grant any interview, or otherwise communicate with the media in any manner whatsoever with respect to the Offering without the Placement Agent's prior consent, which consent will not unreasonably be withheld, delayed or conditioned.

(u) No Disqualification Events. None of JBT, any of its predecessors, any affiliated issuer, any director, executive officer, other officer of JBT participating in the Offering, any beneficial owner of 20% or more of JBT's outstanding voting equity securities, calculated on the basis of voting power, nor any promoter (as that term is defined in Rule 405 under the Securities Act) connected with JBT in any capacity at the time of sale of the securities in the Offering (each, a "**JBT Covered Person**" and, together, "**JBT Covered Persons**") is subject to any of the "Bad Actor" disqualifications described in Rule 506(d)(1)(i) to (viii) under the Securities Act (a "**Disqualification Event**"). JBT has exercised reasonable care to determine whether any JBT Covered Person is subject to a Disqualification Event. JBT has complied, to the extent applicable, with its disclosure obligations under Rule 506(e), and has furnished to the Placement Agent a copy of any disclosures provided thereunder.

(v) Other Covered Persons. Except as set forth in Section 2(s), JBT is not aware of any person (other than a Placement Agent Covered Person (as defined below)) that has been or will be paid (directly or indirectly) remuneration for solicitation of purchasers in connection with the sale of any the Units.

(w) Notice of Disqualification Events. JBT will promptly notify the Placement Agent in writing of (i) any Disqualification Event relating to any JBT Covered Person and (ii) any event that would, with the passage of time, become a Disqualification Event relating to any JBT Covered Person.

(x) Incorporation by Reference. For the benefit of the Placement Agent, JBT hereby incorporates by reference all of the representations and warranties contained in Article III, and its covenants contained in Article V, of that certain Agreement and Plan of Merger and Reorganization to be entered into prior to the Closing by and among Issuer, JBT and JBT Merger Sub, Inc. (the "**Merger Agreement**"), in each case with the same force and effect as if specifically set forth herein.

(y) Disclosure. No representation or warranty contained in Section 2 of this Agreement contains any untrue statement of a material fact or omits to state a material fact necessary to make the statements herein not misleading in the context of such representations and warranties.

2A. Representations, Warranties and Covenants of Issuer. The representations and warranties of Issuer (as used in this Section 2A, "Issuer" refers to Corbus Pharmaceuticals Holdings, Inc. and its subsidiaries) to the Placement Agent contained in this Section 2A are true and correct as of the date of this Agreement.

(a) The Memorandum has been prepared in conformity with all applicable laws, and is in compliance in all material respects with Regulation D, the Act and the requirements of all other Regulations of the SEC relating to offerings of the type contemplated by the Offering, and the applicable securities laws and the rules and regulations of those jurisdictions wherein the Placement Agent notifies Issuer that the Units are to be offered and sold excluding any foreign jurisdictions. The Units will be offered and sold pursuant to the registration exemptions provided by Regulation D and Section 4(a)(2) of the Act as a transaction not involving a public offering and the requirements of any other applicable state securities laws and the respective rules and regulations thereunder in those United States jurisdictions in which the Placement Agent notifies Issuer that the Units are being offered for sale. None of Issuer, its affiliates, or any person acting on its or their behalf (other than the Placement Agent, its affiliates or any person acting on its behalf, in respect of which no representation is made) has taken nor will it take any action that conflicts with the conditions and requirements of, or that would make unavailable with respect to the Offering, the exemption(s) from registration available pursuant to Rule 506(b) of Regulation D or Section 4(a)(2) of the Act, or knows of any reason why any such exemption would be otherwise unavailable to it. None of Issuer, its predecessors or affiliates has been subject to any order, judgment or decree of any court of competent jurisdiction temporarily, preliminarily or permanently enjoining such person for failing to comply with Section 503 of Regulation D. Except for issuances of securities of Issuer to its founders, Issuer has not, for a period of six months prior to the commencement of the offering of Units, sold, offered for sale or solicited any offer to buy any of its securities in a manner that would be integrated with the offer and sale of the Units pursuant to this Agreement, would cause the exemption from registration set forth in Rule 506(b) of Regulation D to become unavailable with respect to the offer and sale of the Units pursuant to this Agreement in the United States.

(b) Issuer is duly organized and validly existing in good standing under the laws of the jurisdiction in which it was formed, and has the requisite power and authority to own its properties and to carry on its business as now being conducted. Issuer is not a participant in any joint venture, partnership or similar arrangement and does not directly or indirectly own any subsidiaries or otherwise own or hold capital stock or an equity or similar interest in any entity. Issuer is duly qualified as a foreign entity to do business and is in good standing in every jurisdiction in which its ownership of property or the nature of the business conducted by it makes such qualification necessary, except to the extent that the failure to be so qualified or be in good standing would not have a Issuer Material Adverse Effect. As used in this Agreement, "**Issuer Material Adverse Effect**" means any material adverse effect on the business, properties, assets, operations, results of operations or condition (financial or otherwise) of Issuer, taken as a whole, or on the transactions contemplated hereby and the other Issuer Transaction Documents (as defined below) or by the agreements and instruments to be entered into in connection herewith or therewith, or on the authority or ability of Issuer to perform its obligations under the Issuer Transaction Documents (as defined below).

(c) As to Issuer only, the Memorandum does not include any untrue statement of a material fact or omit to state any material fact required to be stated therein or necessary to make the statements therein, in light of the circumstances under which they were made, not misleading: provided, however, the foregoing does not apply to any statements or omissions made solely in reliance on and in conformity with written information furnished to Issuer by JBT or the Placement Agent specifically for use in the preparation thereof. To the knowledge of Issuer, none of the statements, documents, certificates or other items made, prepared or supplied by Issuer with respect to the transactions contemplated hereby contains an untrue statement of a material fact or omits to state a material fact necessary to make the statements contained therein not misleading in light of the circumstances in which they were made. There is no fact which Issuer has not disclosed in the Memorandum and of which Issuer is aware that materially adversely affects or that could reasonably be expected to have a Issuer Material Adverse Effect. Notwithstanding anything to the contrary herein, Issuer makes no representation or warranty with respect to any estimates, projections and other forecasts and plans (including the reasonableness of the assumptions underlying such estimates, projections and other forecasts and plans) that may have been delivered to the Placement Agent or its representatives by Issuer, except that such estimates, projections and other forecasts and plans have been prepared in good faith on the basis of assumptions stated therein, which assumptions were believed to be reasonable at the time of such preparation.

(d) Issuer has all requisite corporate power and authority to conduct its business as presently conducted and as proposed to be conducted (as described in the Memorandum), to enter into and perform its obligations under this Agreement, the Subscription Agreement, the Registration Rights Agreement, and the other agreements contemplated hereby (this Agreement, the Subscription Agreement, the Registration Rights Agreement and the other agreements contemplated hereby that Issuer is executing and delivering hereunder are collectively referred to herein as the “**Issuer Transaction Documents**”) and subject to necessary Board and stockholder approvals, to issue, sell and deliver the Units, the shares of Common Stock underlying the Units, and the shares of Common Stock issuable upon exercise of the Warrants (the “**Warrant Shares**”), the Agent Warrants (as defined in Section 3(b)) and the Agent Warrant Shares (as defined in Section 3(b)). Prior to the First Closing, each of the Issuer Transaction Documents will have been duly authorized. This Agreement has been duly authorized, executed and delivered and constitutes, and each of the other Issuer Transaction Documents, upon due execution and delivery, will constitute, valid and binding obligations of Issuer, enforceable against Issuer in accordance with their respective terms (i) except as enforceability may be limited by applicable bankruptcy, insolvency, reorganization, moratorium or other similar laws now or hereafter in effect related to laws affecting creditors’ rights generally, including the effect of statutory and other laws regarding fraudulent conveyances and preferential transfers, and except that no representation is made herein regarding the enforceability of Issuer’s obligations to provide indemnification and contribution remedies under the securities laws and (ii) subject to the limitations imposed by general equitable principles (regardless of whether such enforceability is considered in a proceeding at law or in equity).

(e) None of the execution and delivery of, or performance by Issuer under this Agreement or any of the other Issuer Transaction Documents or the consummation of the transactions herein or therein contemplated conflicts with or violates, or will result in the creation or imposition of, any lien, charge or other encumbrance upon any of the assets of Issuer under any agreement or other instrument to which Issuer is a party or by which Issuer or its assets may be bound, or any term of the certificate of incorporation or by-laws of Issuer, or any license, permit, judgment, decree, order, statute, rule or regulation applicable to Issuer or any of its assets, except in the case of a conflict, violation, lien, charge or other encumbrance (except with respect to Issuer's certificate of incorporation or by-laws) which would not, or could not reasonably be expected to, have a Issuer Material Adverse Effect.

(f) As of the date of the First Closing, Issuer will have the authorized and outstanding capital stock as set forth under the heading "Capitalization" in the Memorandum. All outstanding shares of capital stock of Issuer are duly authorized, validly issued and outstanding, fully paid and nonassessable. Except as described in the Memorandum, as of the date of the First Closing: (i) there will be no outstanding options, stock subscription agreements, warrants or other rights permitting or requiring Issuer or others to purchase or acquire any shares of capital stock or other equity securities of Issuer or to pay any dividend or make any other distribution in respect thereof; (ii) there will be no securities issued or outstanding which are convertible into or exchangeable for any of the foregoing and there are no contracts, commitments or understandings, whether or not in writing, to issue or grant any such option, warrant, right or convertible or exchangeable security; (iii) no shares of stock or other securities of Issuer are reserved for issuance for any purpose; (iv) there will be no voting trusts or other contracts, commitments, understandings, arrangements or restrictions of any kind with respect to the ownership, voting or transfer of shares of stock or other securities of Issuer, including, without limitation, any preemptive rights, rights of first refusal, proxies or similar rights, and (v) no person holds a right to require Issuer to register any securities of Issuer under the Act or to participate in any such registration. As of the date of the First Closing, the issued and outstanding shares of capital stock of Issuer will conform in all material respects to all statements in relation thereto contained in the Memorandum and the Memorandum describes all material terms and conditions thereof. All issuances by Issuer of its securities have been, at the times of their issuance, exempt from registration under the Act and any applicable state securities laws.

(g) Immediately prior to the First Closing, the shares of Common Stock underlying the Units, the Warrants, the Warrant Shares, the Agent Warrants and the Agent Warrant Shares will have been duly authorized and, when issued and delivered against payment therefor as provided in the Issuer Transaction Documents, will be validly issued, fully paid and nonassessable. No holder of any of the shares of Common Stock underlying the Units, the Warrants, the Warrant Shares, the Agent Warrants or the Agent Warrant Shares will be subject to personal liability solely by reason of being such a holder, and except as described in the Memorandum, none of the shares of Common Stock underlying the Units, the Warrants, the Warrant Shares, the Agent Warrants or the Agent Warrant Shares are subject to preemptive or similar rights of any stockholder or security holder of Issuer or an adjustment under the antidilution or exercise rights of any holders of any outstanding shares of capital stock, options, warrants or other rights to acquire any securities of Issuer. Immediately prior to the First Closing, a sufficient number of authorized but unissued shares of Common Stock will have been reserved for issuance upon the exercise of the Warrants and the Agent Warrants.



(h) No consent, authorization or filing of or with any court or governmental authority is required in connection with the issuance or the consummation of the transactions contemplated herein or in the other Issuer Transaction Documents, except for required filings with the SEC and the applicable state securities commissions relating specifically to the Offering (all of which filings will be duly made by, or on behalf of, Issuer), other than those which are required to be made after the First Closing (all of which will be duly made on a timely basis).

(i) Subsequent to the respective dates as of which information is given in the Memorandum, Issuer has operated its business in the ordinary course and, except as may otherwise be set forth in the Memorandum, there has been no: (i) Issuer Material Adverse Effect; (ii) transaction otherwise than in the ordinary course of business consistent with past practice; (iii) issuance of any securities (debt or equity) or any rights to acquire any such securities other than pursuant to equity incentive plans approved by its Board of Directors; (iv) damage, loss or destruction, whether or not covered by insurance, with respect to any asset or property of Issuer; or (v) agreement to permit any of the foregoing.

(j) Except as set forth in the Memorandum, there are no actions, suits, claims, hearings or proceedings pending before any court or governmental authority or, to the knowledge of Issuer, threatened, against Issuer, or involving its assets or any of its officers or directors (in their capacity as such) which, if determined adversely to Issuer or such officer or director, could not reasonably be expected to have a Issuer Material Adverse Effect or adversely affect the transactions contemplated by this Agreement or the Merger Agreement or the enforceability thereof.

(k) Issuer is not obligated to pay, and has not obligated the Placement Agent to pay, a finder's or origination fee in connection with the Offering (other than to the Placement Agent), and hereby agrees to indemnify the Placement Agent from any such claim made by any other person, as more fully set forth in Section 8 hereof. Issuer has not offered for sale or solicited offers to purchase the Units except for negotiations with the Placement Agent. Except as set forth in the Memorandum, no other person has any right to participate in any offer, sale or distribution of Issuer's securities to which the Placement Agent's rights, described herein, shall apply. Notwithstanding the foregoing, Placement Agent has been advised about the Sunrise Obligation; the foregoing obligation shall not affect the Issuer's obligation to pay the Agent Compensation to the Placement Agent hereunder.

(l) Neither the sale of the Units by Issuer nor its use of the proceeds thereof will violate the Trading with the Enemy Act, as amended, or any of the foreign assets control regulations of the United States Treasury Department (31 CFR, Subtitle B, Chapter V, as amended) or any enabling legislation or executive order relating thereto. Without limiting the foregoing, Issuer is not (a) a person whose property or interests in property are blocked pursuant to Section 1 of Executive Order 13224 of September 23, 2001 Blocking Property and Prohibiting Transactions with Persons Who Commit, Threaten to Commit, or Support Terrorism (66 Fed. Reg. 49079 (2001)) or (b) a person who engages in any dealings or transactions, or be otherwise associated, with any such person. Issuer and its subsidiaries, if any, are in compliance, in all material respects, with the USA Patriot Act of 2001 (signed into law October 26, 2001).

(m) Until the earlier of (i) the Termination Date and (ii) the Final Closing (as hereinafter defined), Issuer will not issue any press release, grant any interview, or otherwise communicate with the media in any manner whatsoever with respect to the Offering without the Placement Agent's prior consent, which consent will not unreasonably be withheld, delayed or conditioned.

(n) Issuer is in the process of establishing internal accounting controls sufficient to provide reasonable assurances 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 existing assets at reasonable intervals and appropriate action is taken with respect to any differences.

(o) Issuer is in the process of establishing "disclosure controls and procedures" (as such term is defined in Rule 13a-15(e) and 15d-15(e) under the Securities Exchange Act of 1934 (the "**Exchange Act**")), which (i) are designed to ensure that material information relating to Issuer is made known to Issuer's principal executive officer and its principal financial officer by others within those entities, particularly during the periods in which the periodic reports required under the Exchange Act are being prepared, and (ii) such disclosure controls and procedures are effective to perform the functions for which they were established. Issuer is not aware of any fraud, whether or not material, that involves management or other employees who have a role in Issuer's internal controls.

(p) No Disqualification Events. None of Issuer, any of its predecessors, any affiliated issuer, any director, executive officer, other officer of Issuer participating in the Offering, any beneficial owner of 20% or more of Issuer's outstanding voting equity securities, calculated on the basis of voting power, nor any promoter (as that term is defined in Rule 405 under the Securities Act) connected with Issuer in any capacity at the time of sale of the securities in this Offering (each, an "**Issuer Covered Person**" and, together, "**Issuer Covered Persons**") is subject to any of the "Bad Actor" disqualifications described in Rule 506(d)(1)(i) to (viii) under the Securities Act (a "**Disqualification Event**"). Issuer has exercised reasonable care to determine whether any Issuer Covered Person is subject to a Disqualification Event. Issuer has complied, to the extent applicable, with its disclosure obligations under Rule 506(e), and has furnished to the Placement Agent a copy of any disclosures provided thereunder.

(q) Other Covered Persons. Except as set forth in Section 2(s), Issuer is not aware of any person (other than any Placement Agent Covered Person) that has been or will be paid (directly or indirectly) remuneration for solicitation of purchasers in connection with the sale of any the Units.

(r) Notice of Disqualification Events. Issuer will promptly notify the Placement Agent in writing of (i) any Disqualification Event relating to any Issuer Covered Person and (ii) any event that would, with the passage of time, become a Disqualification Event relating to any Issuer Covered Person.

(s) Incorporation by Reference. For the benefit of the Placement Agent, Issuer hereby incorporates by reference all of the representations and warranties contained in Article IV, and its covenants contained in Article V, of the Merger Agreement, in each case with the same force and effect as if specifically set forth herein.

(t) Disclosure. No representation or warranty contained in Section 2A of this Agreement contains any untrue statement of a material fact or omits to state a material fact necessary to make the statements herein not misleading in the context of such representations and warranties.

2B. Representations, Warranties and Covenants of Placement Agent. The Placement Agent hereby represents and warrants to JBT and Issuer that the following representations and warranties are true and correct as of the date of this Agreement:

(a) The Placement Agent is a corporation duly organized, validly existing and in good standing under the laws of the State of New York and has all requisite corporate power and authority to enter into this Agreement and to carry out and perform its obligations under the terms of this Agreement.

(b) This Agreement has been duly authorized, executed and delivered by the Placement Agent, and upon due execution and delivery by JBT and Issuer, this Agreement will be a valid and binding agreement of the Placement Agent enforceable against it in accordance with its terms, except as may be limited by principles of public policy and, as to enforceability, subject to applicable bankruptcy, insolvency, reorganization, moratorium and similar laws relating to or affecting creditor's rights from time to time in effect and subject to general equity principles.

(c) The Placement Agent is a member of FINRA and is registered as a broker-dealer under the Exchange Act, and under the securities acts of each state into which it is making offers or sales of the Units. None of the Placement Agent or its affiliates, or any person acting on behalf of the foregoing (other than Issuer, JBT, its or their affiliates or any person acting on its or their behalf, in respect of which no representation is made) has taken nor will it take any action that conflicts with the conditions and requirements of, or that would make unavailable with respect to the Offering, the exemption(s) from registration available pursuant to Rule 506 of Regulation D or Section 4(a)(2) of the Act, or knows of any reason why any such exemption would be otherwise unavailable to it.

(d) No Disqualification Events. The Placement Agent represents that neither it, nor to its knowledge any of its directors, executive officers, general partners, managing members or other officers participating in the Offering (each, a "**Placement Agent Covered Person**" and, together, "**Placement Agent Covered Persons**"), is subject to any Disqualification Event, except for a Disqualification Event (i) contemplated by Rule 506(d)(2) of the Securities Act and (ii) a description of which has been furnished in writing to JBT and Issuer prior to the date hereof.

(e) Other Covered Persons. The Placement Agent represents that it is not aware of any person (other than any Placement Agent Covered Person) that has been or will be paid (directly or indirectly) remuneration for solicitation of purchasers in connection with the sale of any Units. Placement Agent will promptly notify JBT and Issuer of any agreement entered into between such Placement Agent and such person in connection with such sale.

(f) Notice of Disqualification Events. The Placement Agent will notify JBT and Issuer promptly in writing of (i) any Disqualification Event relating to any Placement Agent Covered Person not previously disclosed to the Company in accordance with Section 2B(d), *No Disqualification Events* and (ii) any event that would, with the passage of time, become a Disqualification Event relating to any Placement Agent Covered Person.

(g) Disclosure. As to Placement Agent only, the Memorandum does not include any untrue statement of a material fact or omit to state any material fact required to be stated therein or necessary to make the statements therein, in light of the circumstances under which they were made, not misleading: provided, however, the foregoing does not apply to any statements or omissions made solely in reliance on and in conformity with written information furnished to Placement Agent by JBT or Issuer specifically for use in the preparation thereof.

(h) Litigation. There are no actions, suits, claims, hearings or proceedings pending before any court or governmental authority or, to the knowledge of Placement Agent, threatened, against Placement Agent or involving its assets or to the knowledge of Placement Agent, any of its officers or directors (in their capacity as such) which, if determined adversely to Placement Agent or such officer or director, could reasonably be expected to adversely affect Placement Agent's ability to perform its obligations hereunder.

3. Placement Agent Compensation.

(a) In connection with the Offering, the Issuer will pay at each Closing a cash fee (the "**Agent Cash Fee**") to the Placement Agent equal to 10% of the gross proceeds from the sale of the Units consummated at such Closing.

(b) As additional compensation at each Closing the Issuer will issue to the Placement Agent (or its designee(s)) for nominal consideration, warrants (the "**Agent Warrants**;" the Agent Cash Fee and Agent Warrants are sometimes referred to herein collectively as "**Agent Compensation**") to purchase shares of Common Stock (the shares of Common Stock issuable upon exercise of the Agent Warrants are hereinafter referred to as the "**Agent Warrant Shares**" and the Agent Warrants and the Agent Warrant Shares are collectively referred to as the "**Agent Securities**"). The Agent Warrants shall be exercisable for that number of shares of Common Stock equaling 10% of the number of shares of Common Stock (i) included in the Units at an exercise price of \$1.00 per share and (ii) issuable upon exercise of the Warrants at an exercise price of \$1.00 per share (the "**Agent Warrants**"). The Agent's Warrants shall be exercisable until the date that is five (5) years after the First Closing, shall contain immediate cashless exercise provisions and shall not be callable by the Company.

(c) At each Closing, the Issuer will pay the Placement Agent a non-accountable expense allowance equal to 3% of the gross proceeds from the sale of the Units consummated at such Closing (the “**Agent Expense Allowance**”). The Placement Agent will not bear any of Issuer’s or JBT’s respective legal, accounting, printing or other expenses in connection with any transaction contemplated hereby. The Placement Agent will pay for its own expenses, including its legal fees and expenses, from the Agent Expense Allowance. The Agent Expense Allowance will be reduced by the \$25,000 paid by JBT to the Placement Agent upon the execution and delivery of the term sheet.

(d) The Company shall also pay and issue to the Placement Agent the Agent Compensation calculated according to the percentages set forth in Sections 3(a) and (b) of this Agreement, if any person or entity contacted by the Placement Agent and provided with a Memorandum during the Offering Period (other than existing shareholders of JBT) and with whom the Placement Agent has discussions regarding a potential investment in the Offering, invests in the Company (other than through open market purchases or securities purchased in any underwritten public offering) and irrespective of whether such potential investor purchased Units in the Offering (the “**Tail Investors**”) at any time prior to the earlier of the date that is eighteen (18) months after the Termination Date or the Final Closing, whichever is applicable. The names of Tail Investors shall be provided in writing by the Placement Agent to the Issuer within 10 days following the Final Closing (the “**Tail Investor List**”); provided, that such Tail Investor List shall include persons or entities that actually received a copy of the Memorandum. The Company acknowledges and agrees that the Tail Investor List is proprietary to the Placement Agent, shall be maintained in strict confidence by the Company and those persons/entities on such list shall not be contacted by the Company without the Placement Agent’s prior written consent; provided, however, that such restrictions shall not apply to ordinary course stockholder communications by the Company to its stockholders, including those Tail Investors that are stockholders of the Company. In the event the Placement Agent exercises its ROFR pursuant to Section 3(g), the provisions of this Section 3(d) will not be operative with respect to such offering.

(e) At the First Closing, the Company and the Placement Agent shall enter into a non-exclusive Finder’s Fee Agreement (the “**Finder’s Agreement**”), which will provide that, during the two (2) year period following the later of the Termination Date or the First Closing, if the Company or any of its affiliates shall enter into any of the transactions enumerated in the Finder’s Agreement (such transactions to include business combinations with the Company) solely with any party introduced to the Company by the Placement Agent (but not with respect to any party with which the Company (i) has previously been introduced to by a party other than Placement Agent or (ii) has already commenced discussions with), then the Company shall pay or cause to be paid to the Placement Agent a cash finder’s fee (the “**Finder’s Fee**”) payable in cash at the closing of such transaction, equal to 5% of the first \$1 million of consideration paid by or to the Company, plus 4% of the next \$1 million of consideration paid by or to the Company, plus 3% of the next \$5 million of the consideration paid by or to the Company, plus 2.5% of any consideration paid by or to the Company in excess of \$7 million; provided, however, that the Placement Agent will not be entitled to a finder’s fee entered into with any party with whom the Company had a pre-existing relationship prior to the date of the specific introduction. An initial list of parties will be agreed to between the Company and the Placement Agent prior to the execution of the Finder’s Agreement, which list will be updated from time to time for any new introductions that are made following the Closing and such list shall be deemed parties introduced to the Company by the Placement Agent.

(f) In the event the Issuer elects to redeem the Warrants pursuant to the provisions thereto, the Placement Agent will be engaged as exclusive warrant solicitation agent at least 20 calendar days prior to the time notice of redemption is delivered to holders of Warrants. The engagement letter will provide for the payment to the Placement Agent of, inter alia, a cash fee of 5% of the net cash proceeds from the exercise of each Warrant exercised by a Warrant holder that has been solicited by the Placement Agent following a redemption notice.

(g) Effective as of the First Closing, the Company hereby grants to the Placement Agent, for a period of twelve (12) months following the Final Closing (the “**ROFR Term**”), the irrevocable preferential right of first refusal to act as lead placement agent or underwriter for any proposed private placement or public offering of the Company’s securities (equity or debt, but excluding any institutional bank debt and any securities sold directly to investors). In that regard, it is understood that if the Company determines to pursue a financing during the ROFR Term in which a third party placement agent or underwriter will be engaged, the Company shall promptly provide the Placement Agent with a written notice of such intention and statement of terms (the “**Notice**”). If, within seven (7) business days of the receipt of the Notice, the Placement Agent does not accept in writing such offer to act as lead placement agent or underwriter with respect to such offering upon the terms proposed, then the Company shall be entitled to engage a placement agent or underwriter other than the Placement Agent; provided that the terms of the compensation to be paid to such other placement agent or underwriter are not materially less favorable to the Company than the terms included in the Notice. The Placement Agent’s failure to exercise these preferential rights in any situation shall not affect its preferential rights to any subsequent offering during the ROFR Term. Each of JBT and the Issuer represent and warrant that no other person has any right to participate in any offer, sale or distribution of JBT’s or the Issuer’s securities to which the Placement Agent’s preferential rights shall apply.

(h) For a period of two (2) years from the First Closing, the Issuer hereby grants the Placement Agent the right to appoint one (1) member of the Issuer’s board of directors (the “**Aegis Director**”). The initial Aegis Director shall be David Hochman, who shall be appointed to the Board of Directors at the First Closing, with any successor Aegis Director chosen by the Placement Agent to be subject to the reasonable approval of the Issuer. The Aegis Director shall be entitled to the same indemnification and director compensation (if any) as any other director of the Issuer and shall be subject to removal on the same terms as any other director of the Issuer.

(i) The provisions of Sections 3(d), 3(g) and 3(h) of this Agreement shall terminate immediately upon the termination of Adam Stern’s or Ramnarain Jaigobind’s employment with the Placement Agent or the Placement Agent ceases to do business as Aegis Capital Corp.

4. Subscription and Closing Procedures.

(a) JBT and Issuer shall cause to be delivered to the Placement Agent copies of the Memorandum and have each consented, and hereby consent, to the use of such copies for the purposes permitted by the Act and applicable securities laws and in accordance with the terms and conditions of this Agreement, and hereby each authorize the Placement Agent and its agents and employees to use the Memorandum in connection with the sale of the Units until the earlier of (i) the Termination Date or (ii) the Final Closing, and no person or entity is or will be authorized to give any information or make any representations other than those contained in the Memorandum or to use any offering materials other than those contained in the Memorandum in connection with the sale of the Units.

(b) JBT and Issuer shall make available to the Placement Agent and its representatives such information as may be reasonably requested in making a reasonable investigation of JBT and Issuer and their respective affairs and shall provide access to such employees during normal business hours as shall be reasonably requested by the Placement Agent.

(c) Each prospective purchaser will be required to complete and execute an original omnibus signature page, for each of the Subscription Agreement and the Registration Rights Agreement (the “**Subscription Documents**”), which will be forwarded or delivered to the Placement Agent at the Placement Agent’s offices at the address set forth in Section 12 hereof, together with the subscriber’s wire transfer in the full amount of the purchase price for the number of Units desired to be purchased, subject to the Placement Agent’s right to accept a check in lieu of a wire transfer.

(d) All funds for subscriptions received from the Offering will be promptly forwarded by the Placement Agent and deposited into a non-interest bearing escrow account (the “**Escrow Account**”) established for such purpose with Signature Bank (the “**Escrow Agent**”). All such funds for subscriptions will be held in the Escrow Account pursuant to the terms of an escrow agreement among Issuer, JBT, the Placement Agent and the Escrow Agent. The Company will pay all fees related to the establishment and maintenance of the Escrow Account. Subject to the receipt of subscriptions for the Minimum Amount, the Company will either accept or reject, for any or no reason, the Subscription Documents in a timely fashion and at each Closing Issuer and JBT will countersign the Subscription Documents and provide duplicate copies of such documents to the Placement Agent for distribution to the subscribers. The Company, or the Placement Agent on the Company’s behalf, will promptly return to subscribers incomplete, improperly completed, improperly executed and rejected subscriptions and give written notice thereof to the Placement Agent upon such return.

(e) If subscriptions for at least the Minimum Amount have been accepted prior to the Termination Date, the funds therefor have been collected by the Escrow Agent and all of the conditions set forth elsewhere in this Agreement are fulfilled, a closing shall be held promptly with respect to Units sold (the “**First Closing**”). Thereafter remaining Units will continue to be offered and sold until the Termination Date and additional closings (each a “**Closing**”) may from time to time be conducted at times mutually agreed to between the Placement Agent and the Company with respect to additional Units sold, with the final closing (“**Final Closing**”) to occur within 10 days after the earlier of the Termination Date and the date on which the all Units has been fully subscribed for. Delivery of payment for the accepted subscriptions for Units from funds held in the Escrow Account will be made at each Closing against delivery of the Shares and Warrants by the Company. Executed certificates for the Common Stock, Warrants and the Placement Agent Warrants will be in such authorized denominations and, with respect to investors located by the Placement Agent, will be registered in such names as the Placement Agent may request and will be made available to the Placement Agent for checking and packaging at the Placement Agent’s office at each Closing or within ten (10) business days following a Closing.

(f) If Subscription Documents for the Minimum Amount have not been received and accepted by the Company on or before the Termination Date for any reason, the Offering will be terminated, no Units will be sold, and the Escrow Agent will, at the request of the Placement Agent, cause all monies received from subscribers for the Units to be promptly returned to such subscribers without interest, penalty, expense or deduction.

5. Further Covenants. JBT and Issuer hereby covenant and agree that:

(a) Except upon prior written notice to the Placement Agent, neither JBT nor Issuer shall, at any time prior to the Final Closing, knowingly take any action which would cause any of the representations and warranties made by it in this Agreement not to be complete and correct in all material respects on and as of each Closing Date with the same force and effect as if such representations and warranties had been made on and as of each such date (except to the extent any representation or warranty relates to an earlier date).

(b) If, at any time prior to the Final Closing, any event shall occur that causes (i) a JBT Material Adverse Effect or (ii) a Issuer Material Adverse Effect, either of which as a result it becomes necessary to amend or supplement the Memorandum so that the representations and warranties herein remain true and correct in all material respects, or in case it shall be necessary to amend or supplement the Memorandum to comply with Regulation D or any other applicable securities laws or regulations, either JBT or Issuer, as applicable, will promptly notify the Placement Agent and shall, at its sole cost, prepare and furnish to the Placement Agent copies of appropriate amendments and/or supplements in such quantities as the Placement Agent may reasonably request. Neither JBT nor Issuer will at any time before the Final Closing prepare or use any amendment or supplement to the Memorandum of which the Placement Agent will not previously have been advised and furnished with a copy, or which is not in compliance in all material respects with the Act and other applicable securities laws. As soon as JBT or Issuer is advised thereof, JBT or Issuer, as applicable, will advise the Placement Agent and its counsel, and confirm the advice in writing, of any order preventing or suspending the use of the Memorandum, or the suspension of any exemption for such qualification or registration thereof for offering in any jurisdiction, or of the institution or threatened institution of any proceedings for any of such purposes, and JBT and Issuer, as applicable, will use their reasonable best efforts to prevent the issuance of any such order and, if issued, to obtain as soon as reasonably possible the lifting thereof.



(c) JBT and Issuer shall comply with the Act, the Exchange Act and the rules and regulations thereunder, all applicable state securities laws and the rules and regulations thereunder in the states in which Placement Agent's Blue Sky counsel has advised the Placement Agent, JBT and/or Issuer that the Units are qualified or registered for sale or exempt from such qualification or registration, so as to permit the continuance of the sales of the Units, and will file or cause to be filed with the SEC, and shall promptly thereafter forward or cause to be forwarded to the Placement Agent, any and all reports on Form D as are required.

(d) Issuer shall use best efforts to qualify the Units for sale under the securities laws of such jurisdictions in the United States as may be mutually agreed to by JBT, Issuer and the Placement Agent, and Issuer will make or cause to be made such applications and furnish information as may be required for such purposes, provided that Issuer will not be required to qualify as a foreign corporation in any jurisdiction or execute a general consent to service of process. Issuer will, from time to time, prepare and file such statements and reports as are or may be required to continue such qualifications in effect for so long a period as the Placement Agent may reasonably request with respect to the Offering.

(e) The Issuer shall place a legend on the certificates representing the Shares, Warrants and the Agent Warrants that the securities evidenced thereby have not been registered under the Act or applicable state securities laws, setting forth or referring to the applicable restrictions on transferability and sale of such securities under the Act and applicable state laws.

(f) The Company shall apply the net proceeds from the sale of the Units for the purposes substantially as described under the "Use of Proceeds" section of the Memorandum. Except as set forth in the Memorandum, the Company shall not use any of the net proceeds of the Offering to repay indebtedness to officers (other than accrued salaries incurred in the ordinary course of business), directors or stockholders of the Company without the prior written consent of the Placement Agent.

(g) During the Offering Period, JBT or Issuer, as applicable, shall afford each prospective purchaser of Units the opportunity to ask questions of and receive answers from an officer of JBT or Issuer concerning the terms and conditions of the Offering and the opportunity to obtain such other additional information necessary to verify the accuracy of the Memorandum to the extent JBT or Issuer possesses such information or can acquire it without unreasonable expense.

(h) Except with the prior written consent of the Placement Agent, JBT and Issuer shall not, at any time prior to the earlier of the Final Closing or the Termination Date, except as contemplated by the Memorandum (i) engage in or commit to engage in any transaction outside the ordinary course of business as described in the Memorandum, (ii) issue, agree to issue or set aside for issuance any securities (debt or equity) or any rights to acquire any such securities, (iii) incur, outside the ordinary course of business, any material indebtedness, (iv) dispose of any material assets, (v) make any acquisition or (vi) change its business or operations.

(i) The Company shall pay all reasonable expenses incurred in connection with the preparation and printing of all necessary offering documents and instruments related to the Offering and the issuance of the Shares, the Warrants and the Agent Warrants and will also pay the Company's own expenses for accounting fees, legal fees and other costs involved with the Offering. The Company will provide at its own expense such quantities of the Memorandum and other documents and instruments relating to the Offering as the Placement Agent may reasonably request. All Blue Sky filings related to this Offering shall be prepared by JBT's counsel at the Company's expense, with copies of all filings to be promptly forwarded to the Placement Agent. Further, as promptly as practicable after the Final Closing, the Company shall prepare, at its own expense, velobound "closing binders" relating to the Offering and will distribute one such binder to each of the Placement Agent and its counsel.

(j) Until the earlier of the Termination Date or the Final Closing, neither JBT nor Issuer nor any person or entity acting on such persons' behalf will negotiate with any other placement agent or underwriter with respect to a private or public offering of such entity's debt or equity securities. Neither JBT nor Issuer nor anyone acting on such persons' behalf will, until the earlier of the Termination Date or the Final Closing, without the prior written consent of the Placement Agent, offer for sale to, or solicit offers to subscribe for Shares from, or otherwise approach or negotiate in respect thereof with, any other person.

6. Conditions of Placement Agent's Obligations. The obligations of the Placement Agent hereunder to effect a Closing are subject to the fulfillment, at or before each Closing, of the following additional conditions:

(a) Each of the representations and warranties made by JBT and Issuer qualified as to materiality shall be true and correct at all times prior to and on each Closing Date, except to the extent any such representation or warranty expressly speaks as of an earlier date, in which case such representation or warranty shall be true and correct as of such earlier date, and the representations and warranties made by JBT and Issuer not qualified as to materiality shall be true and correct in all material respects at all times prior to and on each Closing Date, except to the extent any such representation or warranty expressly speaks as of an earlier date, in which case such representation or warranty shall be true and correct in all material respects as of such earlier date.

(b) JBT and Issuer shall have performed and complied in all material respects with all agreements, covenants and conditions required to be performed and complied with by it at or before the Closing.

(c) The Memorandum did not, and as of the date of any amendment or supplement thereto will 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 light of the circumstances under which they were made, not misleading.

(d) No order suspending the use of the Memorandum or enjoining the Offering or sale of the Units shall have been issued, and no proceedings for that purpose or a similar purpose shall have been initiated or pending, or, to the best of JBT' and Issuer's knowledge, be contemplated or threatened.

(e) (e) The Placement Agent shall have received a certificate of the Chief Executive Officer of each of JBT and Issuer, dated as of the Closing Date, certifying, as to the fulfillment of the conditions set forth in subparagraphs (a), (b), (c) and (d) above.

(f) JBT and Issuer shall have delivered to the Placement Agent: (i) a certified charter document and good standing certificate, each dated as of a date within 10 days prior to the Closing Date from the secretary of state of its jurisdiction of incorporation; and (ii) resolutions of JBT's and Issuer's Board of Directors approving this Agreement and the transactions and agreements contemplated by this Agreement, the Merger Agreement and the Memorandum, certified by the Chief Executive Officer of JBT and Issuer, and (iii) resolutions of JBT's, Issuer's and Corbus Pharmaceuticals Acquisition, Inc.'s Board of Directors and shareholders approving the Merger Agreement and the transactions and agreements contemplated by the Merger Agreement.

(g) At each Closing, the Company shall pay and/or issue to the Placement Agent the Agent Compensation and Agent Expense Allowance earned in such Closing.

(h) At the First Closing, (i) JBT shall deliver to the Placement Agent a signed opinion of Lowenstein Sandler LLP, counsel to JBT, dated as of the Closing Date, substantially in the form annexed hereto as Exhibit B-1 and (ii) Issuer shall deliver to the Placement Agent a signed opinion Meister Seelig & Fein LLP, counsel to Issuer, dated as of the Closing Date, substantially in the form annexed hereto as Exhibit B-2. At all subsequent Closings, Issuer and JBT shall deliver to the Placement Agent a signed opinion of Lowenstein Sandler LLP, counsel to Issuer and JBT following the First Closing, dated as of the Closing Date, substantially in the forms annexed hereto as Exhibit B-1 and B-2.

(i) All proceedings taken at or prior to the Closing in connection with the authorization, issuance and sale of the Shares, the Warrants and the Agent Warrants will be reasonably satisfactory in form and substance to the Placement Agent and its counsel, and such counsel shall have been furnished with all such documents, certificates and opinions as it may reasonably request upon reasonable prior notice in connection with the transactions contemplated hereby.

(j) The Merger per the terms of the Merger Agreement shall have been consummated.

(k) Lock-up agreements with all of JBT's existing officers and directors and with all of JBT's and Issuer's stockholders who own in the aggregate 5% of the fully-diluted ownership of JBT and/or Issuer prior to the First Closing, in form and substance reasonably acceptable to the Placement Agent and consistent with the terms set forth in the Memorandum, shall have been executed and delivered to the Placement Agent<sup>1</sup>.

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<sup>1</sup> The Company would like to provide Summer's a carve-out with respect to 100,000 shares that he will receive in the Merger.

7. Conditions of Issuer's and JBT's Obligations. The obligations of Issuer and JBT hereunder to effect a Closing are subject to the fulfillment, at or before each Closing, of the following additional condition that each of the representations and warranties made by Placement Agent herein are true and correct as of each Closing Date.

8. Indemnification.

(a) Issuer and JBT severally if the Merger does not occur, and jointly and severally following the consummation of the Merger, will: (i) indemnify and hold harmless the Placement Agent, its agents and their respective officers, directors, employees, selected dealers and each person, if any, who controls the Placement Agent within the meaning of the Section 15 of the Act or Section 20(a) of the Exchange Act and such selected dealers (each an "Indemnatee" or a "Placement Agent Party") against, and pay or reimburse each Indemnatee for, any and all losses, claims, damages, liabilities or expenses whatsoever (or actions or proceedings or investigations in respect thereof), joint or several (which will, for all purposes of this Agreement, include, but not be limited to, all reasonable costs of defense and investigation and all reasonable attorneys' fees, including appeals), to which any Indemnatee may become subject (x) under the Act or otherwise, in connection with the offer and sale of the Units and (y) as a result of the breach of any representation, warranty or covenant made by either JBT or Issuer herein, regardless of whether such losses, claims, damages, liabilities or expenses shall result from any claim by any Indemnatee or by any third party; and (ii) reimburse each Indemnatee for any legal or other expenses reasonably incurred in connection with investigating or defending against any such loss, claim, action, proceeding or investigation; *provided, however,* that Issuer and JBT will not be liable in any such case to the extent that any such claim, damage or liability is finally judicially determined to have resulted primarily from (A) an untrue statement or alleged untrue statement of a material fact made in the Memorandum, or an omission or alleged omission to state therein a material fact required to be stated therein or necessary to make the statements therein not misleading, made solely in reliance upon and in conformity with written information furnished to Issuer and/or JBT by the Placement Agent specifically for use in the Memorandum, (B) any violations by the Placement Agent of the Act or state securities laws which does not result from a violation thereof by JBT, Issuer, or any of their respective affiliates or (C) the Placement Agent's bad faith or gross negligence. In addition to the foregoing agreement to indemnify and reimburse, Issuer and JBT jointly and severally will indemnify and hold harmless each Indemnatee against any and all losses, claims, damages, liabilities or expenses whatsoever (or actions or proceedings or investigations in respect thereof), joint or several (which shall, for all purposes of this Agreement, include, but not be limited to, all reasonable costs of defense and investigation and all reasonable attorneys' fees, including appeals) to which any Indemnatee may become subject insofar as such costs, expenses, losses, claims, damages or liabilities arise out of or are based upon the claim of any person or entity that he or it is entitled to broker's or finder's fees from any Indemnatee in connection with the Offering, other than fees due to the Placement Agent. The foregoing indemnity agreements will be in addition to any liability Issuer and JBT may otherwise have.

(b) The Placement Agent will indemnify and hold harmless Issuer and JBT, their respective officers, directors, and each person, if any, who controls such entity Section 15 of the Act or Section 20(a) of the Exchange Act against, and pay or reimburse any such person for, any and all losses, claims, damages, liabilities or expenses whatsoever (or actions, proceedings or investigations in respect thereof) to which Issuer or JBT or any such person may become subject under the Act or otherwise, whether such losses, claims, damages, liabilities or expenses shall result from any claim of Issuer, JBT or any such person who controls Issuer or JBT within the meaning of the Act or by any third party, but only to the extent that such losses, claims, damages or liabilities results from (i) any untrue statement or alleged untrue statement of any material fact contained in the Memorandum made in reliance upon and in conformity with information contained in the Memorandum relating to the Placement Agent, or an omission or alleged omission to state therein a material fact required to be stated therein or necessary to make the statements therein not misleading, in either case, if made or omitted in reliance upon and in conformity with written information furnished to Issuer or JBT by the Placement Agent, specifically for use in the preparation thereof or (ii) any violations by the Placement Agent of the Act or state securities laws which does not result from a violation thereof by JBT, Issuer, or any of their respective affiliates. The Placement Agent will reimburse the Company or any such person for any legal or other expenses reasonably incurred in connection with investigating or defending against any such loss, claim, damage, liability or action, proceeding or investigation to which such indemnity obligation applies. The foregoing indemnity agreements are in addition to any liability which the Placement Agent may otherwise have. Notwithstanding the foregoing, in no event (except in the event of gross negligence or willful misconduct by the Placement Agent to the extent and only to the extent if found in a final judgment by a court of competent jurisdiction) shall the Placement Agent's indemnification obligation hereunder exceed the amount of the Agent's Cash Fee actually received by it.

(c) Promptly after receipt by an indemnified party under this Section 8 of notice of the commencement of any action, claim, proceeding or investigation (the "**Action**"), such indemnified party, if a claim in respect thereof is to be made against the indemnifying party under this Section 8, will notify the indemnifying party of the commencement thereof, but the omission to so notify the indemnifying party will not relieve it from any liability that it may have to any indemnified party under this Section 8 unless the indemnifying party has been substantially prejudiced by such omission. The indemnifying party will be entitled to participate in and, to the extent that it may wish, jointly with any other indemnifying party, to assume the defense thereof subject to the provisions herein stated, with counsel reasonably satisfactory to such indemnified party. The indemnified party will have the right to employ separate counsel in any such Action and to participate in the defense thereof, but the fees and expenses of such counsel will not be at the expense of the indemnifying party if the indemnifying party has assumed the defense of the Action with counsel reasonably satisfactory to the indemnified party, provided, however, that if the indemnified party shall be requested by the indemnifying party to participate in the defense thereof or shall have concluded in good faith and specifically notified the indemnifying party either that there may be specific defenses available to it that are different from or additional to those available to the indemnifying party or that such Action involves or could have a material adverse effect upon it with respect to matters beyond the scope of the indemnity agreements contained in this Agreement, then the counsel representing it, to the extent made necessary by such defenses, shall have the right to direct such defenses of such Action on its behalf and in such case the reasonable fees and expenses of such counsel in connection with any such participation or defenses shall be paid by the indemnifying party. No settlement of any Action against an indemnified party will be made without the consent of the indemnifying party and the indemnified party, which consent shall not be unreasonably withheld, delayed or conditioned in light of all factors of importance to such party, and no indemnifying party shall be liable to indemnify any person for any settlement of any such claim effected without such indemnifying party's consent.

9. Contribution. To provide for just and equitable contribution, if: (i) an indemnified party makes a claim for indemnification pursuant to Section 8 hereof and it is finally determined, by a judgment, order or decree not subject to further appeal that such claims for indemnification may not be enforced, even though this Agreement expressly provides for indemnification in such case; or (ii) any indemnified or indemnifying party seeks contribution under the Act, the Exchange Act, or otherwise, 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 Placement Agent on the other in connection with the statements or omissions which resulted in such losses, claims, damages, liabilities or expenses (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 Placement Agent 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 Agent Cash Fees received by the Placement Agent. The relative fault, in the case of an untrue statement, alleged untrue statement, omission or alleged omission will be determined by, among other things, whether such statement, alleged statement, omission or alleged omission relates to information supplied by the Company or by the Placement Agent, and the parties' relative intent, knowledge, access to information and opportunity to correct or prevent such statement, alleged statement, omission or alleged omission. The Company and the Placement Agent agree that it would be unjust and inequitable if the respective obligations of the Company and the Placement Agent for contribution were determined by *pro rata* allocation of the aggregate losses, liabilities, claims, damages and expenses or by any other method or allocation that does not reflect the equitable considerations referred to in this Section 9. No person guilty of a fraudulent misrepresentation (within the meaning of Section 10(f) of the Act) will be entitled to contribution from any person who is not guilty of such fraudulent misrepresentation. For purposes of this Section 9, each person, if any, who controls the Placement Agent within the meaning of the Act will have the same rights to contribution as the Placement Agent, and each person, if any, who controls the Company within the meaning of the Act will have the same rights to contribution as the Company, subject in each case to the provisions of this Section 9. Anything in this Section 9 to the contrary notwithstanding, no party will be liable for contribution with respect to the settlement of any claim or action effected without its written consent. This Section 9 is intended to supersede, to the extent permitted by law, any right to contribution under the Act, the Exchange Act or otherwise available.

10. Termination.

(a) The Offering may be terminated by the Placement Agent at any time prior to the expiration of the Offering Period in the event that: (i) any of the representations, warranties or covenants of JBT contained herein or in the Memorandum shall prove to have been false or misleading in any material respect when actually made; (ii) JBT shall have failed to perform any of its material obligations hereunder or under any other JBT Transaction Document, Issuer Transaction Document or any other transaction document; (iii) there shall occur any event, within the control of JBT that could materially adversely affect the transactions contemplated hereunder or the ability of JBT to perform hereunder; or (iv) the Placement Agent determines that it is reasonably likely that any of the conditions to Closing set forth herein will not, or cannot, be satisfied. In the event of any such termination by the Placement Agent pursuant to clauses (i), (ii) or (iii) of this Section 10(a), the Placement Agent shall be entitled to receive from JBT, within five (5) business days of the Termination Date, in addition to other rights and remedies it may have hereunder, at law or otherwise, an amount equal to the sum of \$100,000, which amount shall be offset by the \$25,000 JBT advanced to legal counsel for the Placement Agent (collectively, the “**Termination Amount**”) and the provisions of Section 3(d) shall survive in full force and effect. In the event of a termination by the Placement Agent under Section 10(a)(iv), the Placement Agent shall not be entitled to any further compensation pursuant to these termination provisions, except that the provisions of Section 3(d) shall survive in full force and effect.

(b) This Offering may be terminated by JBT at any time prior to the expiration of the Offering Period (i) in the event that the Placement Agent shall have failed to perform any of its material obligations hereunder or (ii) on account of the Placement Agent’s fraud, illegal or willful misconduct or gross negligence. In the event of any such termination pursuant to this Section 10(b), the Placement Agent shall not be entitled to any further compensation pursuant to these termination provisions and Sections 3(e) – (h) shall also terminate.

(c) In the event JBT unilaterally decides for any reason (other than pursuant to Section 10(b) above or Section 10(d) below) to terminate the Offering at any time prior to the First Closing (the “**Unilateral Termination**”), the Placement Agent shall be entitled to receive from JBT \$100,000 plus the Placement Agent’s out-of-pocket legal expenses not to exceed \$50,000 in connection with the Offering (the “**Unilateral Termination Amount**”). In addition, if within twelve (12) months after the Unilateral Termination, JBT conducts a public or private offering of its securities or enters into a letter of intent with respect to the foregoing, then upon the closing of any such transaction, the terminating party shall pay the Placement Agent in cash, within five (5) business days of the closing of any such transaction an amount equal to 2% of the gross proceeds from such private or public offering (the “**Additional Unilateral Termination Amount**”), provided that such percentage shall be the applicable percentages set forth in section 3(d) hereto with respect to any gross proceeds from Tail Investors.

(d) This Offering may be terminated upon mutual agreement of Issuer, JBT and the Placement Agent at any time prior to the expiration of the Offering Period. In addition, upon the expiration of the Offering Period, the Offering shall terminate without any further action of the parties hereto. If the Offering is terminated pursuant to this Section 10(d), then in cases in which no Closing had been theretofore consummated, each party shall pay its own respective expenses.

(e) Before any termination by the Placement Agent under Section 10(a) or by JBT under Section 10(b) shall become effective, the terminating party shall give written notice to the other party of its intention to terminate the Offering, which shall set forth the specific grounds for the proposed termination (the “**Termination Notice**”). If the specified grounds for termination, or their resulting adverse effect on the transactions contemplated hereby, are curable, then the other party shall have ten (10) days from the Termination Notice within which to remove such grounds or to eliminate all of their material adverse effects on the transactions contemplated hereby; otherwise, the Offering shall terminate.

(f) In the event that a majority of the JBT capital stock or assets is sold, or JBT is merged with or merges with or into another entity or otherwise combined with or acquired, or enters into a letter of intent or memorandum of understanding with respect to any of the foregoing, within one year following a Unilateral Termination, then upon the closing of any such transaction, JBT or its successor shall pay the Placement Agent in cash, within five (5) business days of the closing of any such transaction, an amount equal to 2% of the total consideration received or receivable by JBT or any of its officers, directors or stockholders in connection with such transaction (the “**Transaction Fee**”). Notwithstanding the foregoing, however, if an event or transaction shall occur that would entitle the Placement Agent to receive both the Unilateral Termination Amount and the Transaction Fee, then the Placement Agent may elect which of the two such fees, but may elect only one of such fees, it shall collect from JBT or its successor. In the event that the Placement Agent has elected to receive the Unilateral Termination Amount in accordance with this Section 10, and subsequently an event or transaction occurs that would have entitled the Placement Agent to receive a Transaction Fee in excess of such Unilateral Termination Amount, then the Placement Agent may require JBT to pay it the difference between the Unilateral Termination Amount already paid and the amount of the Transaction Fee to which it otherwise would have been entitled to receive from JBT.

(g) Upon any termination pursuant to this Section 10, the Placement Agent and the Company will instruct Escrow Agent to cause all monies received with respect to the subscriptions for Units not accepted by the Company to be promptly returned to such subscribers without interest, penalty or deduction.

#### 11. Survival.

(a) The obligations of the parties to pay any costs and expenses hereunder and to provide indemnification and contribution as provided herein shall survive any termination hereunder. In addition, the provisions of Sections 3(d), and 8 through 16 shall survive the sale of the Units or any termination of the Offering hereunder.

(b) The respective indemnities, covenants, representations, warranties and other statements of Issuer, JBT and the Placement Agent set forth in or made pursuant to this Agreement will remain in full force and effect, regardless of any investigation made by or on behalf of, and regardless of any access to information by, Issuer, JBT or the Placement Agent, or any of their officers or directors or any controlling person thereof, and will survive the sale of the Units or any termination of the Offering hereunder for a period of four years from the earlier to occur of the Final Closing or the termination of the Offering.



12. Notices. All notices and other communications given or made pursuant hereto shall be in writing and shall be deemed to have been duly given or made as of the date delivered personally, or the date mailed if mailed by registered or certified mail (postage prepaid, return receipt requested) to the parties at the following addresses (or at such other address for a party as shall be specified by like changes of address which shall be effective upon receipt) or sent by facsimile transmission, with confirmation received, if sent to the Placement Agent, will be mailed, delivered or telefaxed and confirmed to Aegis Capital Corp., 810 Seventh Ave, 11th Floor, New York, New York 10019, Attention: Adam K. Stern, telefax number (646) 390-9122, with a copy (which shall not constitute notice) to: Littman Krooks LLP, 655 Third Avenue, 20<sup>th</sup> floor New York, NY 10017 Attention: Steven D. Uslander, Esq., telefax number (212) 490-2990, if sent to JBT or the Company, will be mailed, delivered or telefaxed and confirmed to JB Therapeutics, Inc., One Kendall Square, Bldg 200, Cambridge, MA 02139, Attn: Yuval Cohen, CEO, with a copy (which shall not constitute notice) to: Lowenstein Sandler LLP, 1251 Avenue of the Americas, New York, NY 10020, Attn: Steven M. Skolnick, Esq., telefax number (973) 597 2477, and if sent to Issuer, will be mailed, delivered or telefaxed and confirmed to Corbus Pharmaceuticals Holdings, Inc., 142 West 57th St. Suite 4A, New York, NY 10019, Attn: David Hochman, President, with a copy (which shall not constitute notice) to: Meister Selig & Fein LLP, Two Grand Central Tower, 140 East 45<sup>th</sup> Street, 19<sup>th</sup> Floor, New York, NY 10017, Attn: Kenneth S. Goodwin, Esq., provided, however, that from and after the First Closing, notices to Issuer shall be sent in the same manner, and to the same address, as notices to JBT, with a copy (which shall not constitute notice) to: Lowenstein Sandler LLP, 1251 Avenue of the Americas, New York, NY 10020, Attn: Steven M. Skolnick, Esq., telefax number (973) 597 2477.

13. Governing Law, Jurisdiction. This Agreement shall be deemed to have been made and delivered in New York City and shall be governed as to validity, interpretation, construction, affect and in all other respects by the internal laws of the State of New York. **THE PARTIES AGREE THAT ANY DISPUTE, CLAIM OR CONTROVERSY DIRECTLY OR INDIRECTLY RELATING TO OR ARISING OUT OF THIS AGREEMENT, THE TERMINATION OR VALIDITY HEREOF, ANY ALLEGED BREACH OF THIS AGREEMENT OR THE ENGAGEMENT CONTEMPLATED HEREBY (ANY OF THE FOREGOING, A "CLAIM") SHALL BE SUBMITTED TO THE JUDICIAL ARBITRATION AND MEDIATION SERVICES, INC ("JAMS"), OR ITS SUCCESSOR, IN NEW YORK, FOR FINAL AND BINDING ARBITRATION IN FRONT OF A PANEL OF THREE ARBITRATORS WITH JAMS IN NEW YORK, NEW YORK UNDER THE JAMS COMPREHENSIVE ARBITRATION RULES AND PROCEDURES (WITH EACH OF THE SELLING AGENT AND THE COMPANY CHOOSING ONE ARBITRATOR, AND THE CHOSEN ARBITRATORS CHOOSING THE THIRD ARBITRATOR). THE ARBITRATORS SHALL, IN THEIR AWARD, ALLOCATE ALL OF THE COSTS OF THE ARBITRATION, INCLUDING THE FEES OF THE ARBITRATORS AND THE REASONABLE ATTORNEYS' FEES OF THE PREVAILING PARTY, AGAINST THE PARTY WHO DID NOT PREVAIL. THE AWARD IN THE ARBITRATION SHALL BE FINAL AND BINDING. THE ARBITRATION SHALL BE GOVERNED BY THE FEDERAL ARBITRATION ACT, 9 U.S.C. SEC. 1-16, AND THE JUDGMENT UPON THE AWARD RENDERED BY THE ARBITRATORS MAY BE ENTERED BY ANY COURT HAVING JURISDICTION THEREOF. THE COMPANY AND THE PLACEMENT AGENT AGREE AND CONSENT TO PERSONAL JURISDICTION, SERVICE OF PROCESS AND VENUE IN ANY FEDERAL OR STATE COURT WITHIN THE STATE AND COUNTY OF NEW YORK IN CONNECTION WITH ANY ACTION BROUGHT TO ENFORCE AN AWARD IN ARBITRATION.**

14. Miscellaneous. No provision of this Agreement may be changed or terminated except by a writing signed by the party or parties to be charged therewith. Unless expressly so provided, no party to this Agreement will be liable for the performance of any other party's obligations hereunder. Either party hereto may waive compliance by the other with any of the terms, provisions and conditions set forth herein; provided, however, that any such waiver shall be in writing specifically setting forth those provisions waived thereby. No such waiver shall be deemed to constitute or imply waiver of any other term, provision or condition of this Agreement. Neither party may assign its rights or obligations under this Agreement to any other person or entity without the prior written consent of the other party.

15. Entire Agreement; Severability. This Agreement together with any other agreement referred to herein supersedes all prior understandings and written or oral agreements between the parties with respect to the Offering and the subject matter hereof. If any portion of this Agreement shall be held invalid or unenforceable, then so far as is reasonable and possible (i) the remainder of this Agreement shall be considered valid and enforceable and (ii) effect shall be given to the intent manifested by the portion held invalid or unenforceable.

16. Counterparts. This Agreement may be executed in multiple counterparts, each of which may be executed by less than all of the parties and shall be deemed to be an original instrument which shall be enforceable against the parties actually executing such counterparts and all of which together shall constitute one and the same instrument. The exchange of copies of this Agreement and of signature pages by facsimile transmission shall constitute effective execution and delivery of this Agreement as to the parties and may be used in lieu of the original Agreement for all purposes. Signatures of the parties transmitted by facsimile shall be deemed to be their original signatures for all purposes.

*[Signatures on following page.]*

If the foregoing is in accordance with your understanding of the agreement among Issuer, JBT and the Placement Agent, kindly sign and return this Agreement, whereupon it will become a binding agreement among Issuer, JBT and the Placement Agent in accordance with its terms.

**JB THERAPEUTICS, INC.**

By: \_\_\_\_\_  
Name: Yuval Cohen  
Title: Chief Executive Officer

**CORBUS PHARMACEUTICALS HOLDINGS, INC.**

By: \_\_\_\_\_  
Name: David Hochman  
Title: President

Accepted and agreed to this  
\_\_ day of March, 2014:

**AEGIS CAPITAL CORP.**

By: \_\_\_\_\_  
Name:  
Title:

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**Exhibit A**

**Sunrise Obligation Investors**

[attached]

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## Exhibit B-1

### Form of Opinion-JBT Counsel

2.1 JB Therapeutics, Inc. (the term "Company" when used herein, refers to JB Therapeutics, Inc.) has been duly organized as a corporation and is validly existing and in good standing under the laws of the jurisdiction of its incorporation, has full corporate power and authority to own, lease and operate its properties and conduct its business as described in the Memorandum and is duly qualified as a foreign corporation for the transaction of business and is in good standing in each jurisdiction where the conduct of its business makes such qualification necessary, except where the failure to so qualify would not have a material adverse effect upon the business (as currently conducted), financial condition, prospects or results of operation of the Company (a "Material Adverse Effect").

2.2 The authorized capital stock of the Company on the date hereof consists of [INSERT CAPITALIZATION] (i) \_\_\_\_\_ shares of Common Stock, \$0.0001 par value per share, and (ii) \_\_\_\_\_ shares of Preferred Stock, \$0.0001 par value per share, all of which have been designated as Series A Preferred Stock.

2.3 The execution and delivery by the Company of the Transaction Documents to which it is a party and the consummation by the Company of the transactions contemplated thereby have been duly authorized by all necessary corporate action on the part of the Company and duly executed and delivered by the Company. Each of the Transaction Documents to which it is a party constitutes the legal, valid and binding obligation of the Company, enforceable against the Company in accordance with its terms.

2.4 The execution and delivery by the Company of the Transaction Documents<sup>2</sup> to which it is a party and the consummation by the Company of the transactions contemplated thereby will not (i) violate the provisions of the Delaware General Corporation Law or any United States federal or state law, rule or regulation known to us to be currently applicable to the Company or (ii) violate the provisions of the Company's Certificate of Incorporation or By-Laws; (iii) violate any judgment, decree, order or award known to us of any court, governmental body or arbitrator having jurisdiction over the Company; or (iv) result in the breach or termination of any material term or provision of an agreement known to us to which the Company is a party, except in the case of clauses (i), (iii) and (iv) where the breach or violation would not have a Material Adverse Effect on the Company or its ability to perform its obligations under the Transaction Documents.

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<sup>2</sup> Transaction Documents should include the Placement Agency Agreement, Escrow Deposit Agreement, the Merger Agreement, Warrant, Placement Agent Warrant; Registration Rights Agreement and Subscription Agreements.

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2.5 To our knowledge, there is no action, proceeding or litigation pending or threatened against the Company before any court, governmental or administrative agency or body that would materially adversely affect the Company's ability to consummate the transactions contemplated by the Transaction Documents.

2.6 Assuming that the Shares and Warrants were sold only to "accredited investors" (as defined in Rule 501 of Regulation D promulgated under the Securities Act of 1933, as amended ("1933 Act")) and the Placement Agent complied in all material respects with Regulation D and the terms and conditions of the Offering set forth in the Placement Agency Agreement and the Memorandum, such sales were made in conformity in all material respects with the requirements of Section 4(a)(2) of the 1933 Act and Regulation D, and with the requirements of all other United States federal regulations applicable to the Company currently in effect relating to private offerings of securities of the type made in the Offering.

2.7 Either (i) no consent, approval or authorization of, or other action by, and no notice to or filing with, any United States federal or state governmental authority on the part of the Company is required in connection with the valid execution and delivery of the Transaction Documents to which it is a party and the consummation by the Company of the transactions contemplated thereunder, except for (A) the filing of a Form D that may be filed with the United States Securities and Exchange Commission; (B) any filings under the securities laws of the various jurisdictions in which the Shares, Warrants and Placement Agent Warrants are being offered and sold in the Offering; and (C) any filings relating to public disclosure of the transactions contemplated by the Transaction Documents, or (ii) any required consent, approval, authorization, action or filing has been obtained, performed or made by the Company.

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**Exhibit B-2**  
**Form of Opinion-Issuer Counsel**

2.1 Based solely upon the Certificate of Good Standing, the Company is a corporation duly incorporated, validly existing and in good standing under the laws of the State of Delaware.

2.2 The authorized capital stock of the Company on the date hereof consists of 150,000,000 shares of common stock, \$0.0001 par value per share, and 10,000,000 shares of preferred stock, \$0.0001 par value per share. All outstanding shares of capital stock of the Company have been duly authorized and are validly issued, fully paid and non-assessable

2.3 The shares of Common Stock issued in connection with the Merger and in connection with the Offering (the "Shares"), the Merger Warrants, the Investor Warrants, the Placement Agent Warrants, and the shares of Common Stock issuable upon exercise of the Merger Warrants, the Investor Warrants and the Placement Agent Warrants have been duly authorized for issuance by all necessary corporate action on the part of the Company. The Shares and the shares of Common Stock issuable upon exercise of the Merger Warrants, Investor Warrants and the Placement Agent Warrants when issued, sold and delivered against payment therefore in accordance with the provisions of the Memorandum, the Subscription Agreements, the Warrants or the Placement Agent Warrants, as applicable, will be duly and validly issued, fully paid and non-assessable. The issuance of the Shares, the Investor Warrants, the Merger Warrants and the Placement Agent Warrants and the shares of Common Stock issuable upon exercise of the Warrants and the Placement Agent Warrants are not subject to any statutory or, to our knowledge, contractual or other preemptive rights under any agreement. A sufficient number of authorized but unissued shares of Common Stock have been reserved for issuance upon exercise of the Investor Warrants, the Merger Warrants and the Placement Agent Warrants.

2.4 The execution and delivery by the Company of the Transaction Documents to which they are a party and the consummation by the Company of the transactions contemplated thereby have been duly authorized by all necessary corporate action on the part of the Company, and duly executed and delivered by the Company, as applicable. Each of the Transaction Documents to which it is a party constitutes the legal, valid and binding obligation of the Company, enforceable against the Company in accordance with its terms.

2.5 The execution and delivery by the Company of the Transaction Documents<sup>3</sup> to which they are a party and the consummation by the Company of the transactions contemplated thereby will not (i) violate the provisions of the Delaware General Corporation Law or any United States federal or state law, rule or regulation known to us to be currently applicable to the Company, (ii) violate the provisions of the Company's Certificate of Incorporation or By-Laws; (iii) violate any judgment, decree, order or award known to us of any court, governmental body or arbitrator having jurisdiction over the Company; or (iv) result in the breach or termination of any material term or provision of an agreement known to us to which the Company is a party, except in the case of clauses (i), (iii) or (iv) where the breach or violation would not have a Material Adverse Effect on the Company or its ability to perform its obligations under the Transaction Documents.

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<sup>3</sup> Transaction Documents should include the Placement Agency Agreement, Escrow Deposit Agreement, the Merger Agreement, Merger Warrant, Investor Warrant, Placement Agent Warrant; Registration Rights Agreement and Subscription Agreements.

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2.6 To our knowledge, there is no action, proceeding or litigation pending or threatened against the Company before any court, governmental or administrative agency or body that would materially adversely affect the Company's ability to consummate the transactions contemplated by the Transaction Documents.

2.7 Either (i) no consent, approval or authorization of, or other action by, and no notice to or filing with, any United States federal or state governmental authority on the part of the Company is required in connection with the valid execution and delivery of the Transaction Documents to which it is a party and the consummation by the Company of the transactions contemplated thereunder, except for (A) the filing of a Form D that may be filed with the United States Securities and Exchange Commission; (B) any filings under the securities laws of the various jurisdictions in which the Shares, the Investor Warrants, the Merger Warrants and Placement Agent Warrants are being offered and sold in the Offering; and (C) any filings relating to public disclosure of the transactions contemplated by the Transaction Documents, or (ii) any required consent, approval, authorization, action or filing has been obtained, performed or made by the Company.

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**AGREEMENT BETWEEN ORCHESTRA MEDICAL VENTURE, LLC AND CORBUS PHARMACEUTICALS HOLDINGS, INC.**

**THIS AGREEMENT** is made as of this 21<sup>st</sup> day of March 2014, by and among Orchestra Medical Ventures, LLC., a Delaware limited liability company (“**Orchestra**”) and Corbus Pharmaceuticals Holdings, Inc., a Delaware corporation (“**Corbus**”).

**WHEREAS**, Orchestra is a healthcare investment management firm capable of providing consulting and advisory services to Corbus.

**WHEREAS**, Corbus will be merging with JB Pharmaceuticals, Inc. (the “**Merger**”), a biopharmaceutical company developing a novel CB2 agonist called Resunab<sup>TM</sup> for the treatment of inflammatory diseases such as Cystic Fibrosis and Scleroderma.

**NOW THEREFORE**, in consideration of the mutual covenants of the parties set forth in this Agreement and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties hereto agree as follows:

1. **Term & Obligations** The term of this agreement shall be for twelve (12) months from the date of the Merger. This Agreement may be extended by mutual agreement of the parties. During the term of this Agreement, Orchestra shall provide a variety of consulting and advisory services to Corbus relating principally to identifying and evaluating strategic relationships, licensing opportunities, and business strategies.

3. **Consideration, Fees and Expenses to Consultants** During the term of the Agreement, Corbus shall compensate Orchestra at the rate of \$5,000 per month, payable quarterly in advance.

4. **Independent Contractor Status** The parties intend for the relationship between Corbus and Orchestra to be that of an independent contractor. Orchestra shall be responsible for all income and other taxes imposed on Orchestra under applicable law by reason of any of the payments made by Corbus and its affiliates pursuant to this Agreement.

5. **Confidential Information**

i) **Company Information.** At all times during the term of this Agreement and thereafter, Orchestra shall hold in strictest confidence, and not use, except for the benefit of Corbus and its affiliates, or disclose to any person, firm or corporation without written authorization of the Board of Directors of the Corbus, any Confidential Information of Corbus or its affiliates. “**Confidential Information**” means any proprietary information, technical data, trade secrets or know-how of Corbus and its affiliates, including, but not limited to, research, product plans, products, services, customer lists and customers, markets, software, developments, inventions, processes, formulas, technology, designs, drawings, engineering, hardware configuration information, marketing, finances or other business information disclosed to Orchestra by Corbus or its affiliates either directly or indirectly, in writing, orally, by drawings, or by observation of parts or equipment. Confidential Information does not include any of the foregoing items that have become publicly known and made generally available through no wrongful act of Orchestra or of others who were under confidentiality obligations as to the item or items involved.

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ii) **Consultant's Information.** At all times during the term of this Agreement and thereafter, Corbus and its other consultants, directors, investors, shall hold in strictest confidence, and not use, or disclose to any person, firm or corporation without written authorization of Orchestra any Confidential Information of Orchestra. Thus, "**Confidential Information**" also means any proprietary information, technical data, trade secrets or know-how of Orchestra, including, but not limited to, research, product plans, products, services, software, developments, inventions, processes, formulas, technology, designs, drawings, engineering, hardware configuration information, marketing, disclosed to Corbus and its other consultants, directors, investors, by Orchestra either directly or indirectly, in writing, orally, by drawings, or by observation of parts or equipment. Confidential Information does not include any of the foregoing items which has become publicly known and made generally available through no wrongful act of the Company or of others who were under confidentiality obligations as to the item or items involved.

6. **Separability of Terms** Each obligation and consideration in this agreement is separately enforceable and the parties' requirements to perform these obligations are separate and independent. In the event any provision, paragraph or clause either lapses in its terms or becomes unenforceable for any reason all remaining provisions, paragraphs or clauses shall remain in full force and effect.

7. **Notices** All notices or other communications hereunder shall be in writing and shall be deemed to have been duly given if delivered personally or sent by telefax, by recognized overnight courier marked for overnight delivery, or by registered or certified mail, postage prepaid, address as follows:

If to Orchestra, to:

David Hochman  
Managing Partner  
Orchestra Medical Ventures, LLC  
152 West 57<sup>th</sup> Street, Suite 4A  
New York, NY 10019  
E-mail: dhochman@orchestramv.com  
Telephone: 646-367-5905

or at such other address at which the Company may from time to time maintain its principal executive offices.

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If to Corbus, at:

Yuval Cohen, PhD  
Corbus Pharmaceuticals, Inc.  
One Kendall Square, Bldg 200  
Cambridge, MA 02139

or at such other address at which the Company may from time to time maintain its principal executive offices.

All such notices and communications shall be effective, if by telefax, when confirmed by telephone, or if sent by nationally recognized overnight courier service, one business day after delivery to such courier service marked for overnight delivery, or, if mailed, when received, or if e-mailed upon confirmation of receipt.

**9. Applicable Law** This Agreement shall be governed by, and construed in accordance with, the internal laws of the State of New York, without reference to or application of any conflicts of laws principles.

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

**So Accepted and Agreed:**

ORCHESTRA MEDICAL VENTURES, LLC

By: \_\_\_\_\_  
David Hochman, Managing Partner

CORBUS PHARMACEUTICALS HOLDINGS, INC

By: \_\_\_\_\_  
John Brancaccio, Treasurer

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## SUBSCRIPTION AGREEMENT

Corbus Pharmaceuticals Holdings, Inc.  
JB Therapeutics, Inc.  
One Kendall Square, Bldg 200,  
Cambridge, MA 02139

Ladies and Gentlemen:

- Subscription.** The undersigned (the “Purchaser”), intending to be legally bound, hereby irrevocably agrees to purchase from Corbus Pharmaceuticals Holdings, Inc., a Delaware corporation (the “Company”), the number of units (the “Units”) set forth on the signature page hereof at a purchase price of \$250,000 per Unit. Each Unit consists of (i) 250,000 shares of the Company’s common stock, par value \$0.0001 per share (the “Common Stock”) and (ii) 250,000 warrants (each, a “Warrant” and collectively, the “Warrants”), each warrant to purchase one share of Common Stock at an exercise price of \$1.00 per share. The Units are being sold in the Offering (as defined below), the initial closing of which will close contemporaneously with the merger of JB Therapeutics, Inc. (“JBT”) into a wholly-owned subsidiary of the Company (the “Merger”) as more fully described in the Memorandum (as defined below).
  - The Offering.** This subscription is submitted to you in accordance with and subject to the terms and conditions described in this Subscription Agreement and the Confidential Private Placement Memorandum of the Company dated March 27, 2014, as amended or supplemented from time to time, including all attachments, schedules and exhibits thereto (the “Memorandum”), relating to the offering (the “Offering”) by the Company of a minimum of 18 Units (\$4,500,000) (“Minimum Offering Amount”), and up to a maximum of 36 Units (\$9,000,000) (“Maximum Offering Amount”). In the event the Maximum Offering Amount is sold, the Placement Agent (as defined below) and the Company shall have the right to place an additional 16 Units (\$4,000,000) to cover over-allotments. Aegis Capital Corp. has been engaged as placement agent in connection with the Offering (the “Placement Agent”). The terms of the Offering are more completely described in the Memorandum and such terms are incorporated herein in their entirety.
  - Payment.** The Purchaser will immediately make a wire transfer payment to, “Signature Bank, Escrow Agent for Corbus Pharmaceuticals Holdings, Inc.” in the full amount of the purchase price of the Units being subscribed for in the Offering. Wire transfer instructions are set forth on page 12 hereof under the heading “To subscribe for Units in the private offering of Corbus Pharmaceuticals Holdings, Inc.” Such funds will be held for the Purchaser’s benefit, and will be returned promptly, without interest or offset if this Subscription Agreement is not accepted by the Company and JBT, the Offering is terminated pursuant to its terms by the Company and JBT prior to the First Closing (as hereinafter defined), or the Minimum Offering Amount is not sold. Together with a wire transfer of the full purchase price, the Purchaser is delivering a completed and executed Omnibus Signature Page to this Subscription Agreement and the Registration Rights Agreement, in the form of Exhibit C to the Memorandum (the “Registration Rights Agreement”).
-

4. **Deposit of Funds.** All payments made as provided in Section 3 hereof shall be deposited by the Company, JBT or the Placement Agent as soon as practicable after receipt thereof with Signature Bank (the “Escrow Agent”), in a non-interest-bearing escrow account (the “Escrow Account”) until the earliest to occur of (a) the closing of the sale of the Minimum Offering Amount (the “First Closing”), (b) the rejection of such subscription, and (c) the termination of the Offering by the Company, JBT or the Placement Agent. The Company, JBT and the Placement Agent may continue to offer and sell the Units and conduct additional closings for the sale of additional Units after the First Closing and until the termination of the Offering.

5. **Acceptance of Subscription.** The Purchaser understands and agrees that the Company and JBT, in their sole discretion, reserve the right to accept or reject this or any other subscription for Units, in whole or in part, notwithstanding prior receipt by the Purchaser of notice of acceptance of this subscription. In furtherance of the foregoing, the Company and JBT shall have the right to require potential subscribers to supply additional information and execute additional documents in a satisfactory manner, which determination shall be at the sole discretion of the Company and JBT, prior to the acceptance of this Subscription Agreement. The Company shall have no obligation hereunder until the Company shall execute and deliver to the Purchaser an executed copy of this Subscription Agreement. If this subscription is rejected in whole, the Offering of Units is terminated or the Minimum Offering Amount is not raised, all funds received from the Purchaser will be returned without interest or offset, and this Subscription Agreement shall thereafter be of no further force or effect. If this subscription is rejected in part, the funds for the rejected portion of this subscription will be returned without interest or offset, and this Subscription Agreement will continue in full force and effect to the extent this subscription was accepted.

6. **Representations and Warranties.**

The Purchaser hereby acknowledges, represents, warrants, and agrees as follows:

(a) None of the shares of Common Stock or the shares of Common Stock issuable upon exercise of the Warrants (the “Warrant Shares”) offered pursuant to the Memorandum are registered under the Securities Act of 1933, as amended (the “Securities Act”), or any state securities laws. The Purchaser understands that the offering and sale of the Units is intended to be exempt from registration under the Securities Act, by virtue of Section 4(a)(2) thereof and the provisions of Regulation D (“Regulation D”) as promulgated by the United States Securities and Exchange Commission (the “SEC”) thereunder, based, in part, upon the representations, warranties and agreements of the Purchaser contained in this Subscription Agreement;

(b) Prior to the execution of this Subscription Agreement, the Purchaser and the Purchaser’s attorney, accountant, purchaser representative and/or tax adviser, if any (collectively, the “Advisers”), have received the Memorandum and all other documents requested by the Purchaser, have carefully reviewed them and understand the information contained therein;

(c) Neither the SEC nor any state securities commission or other regulatory authority has approved the Units, the Common Stock, the Warrants or the Warrant Shares, or passed upon or endorsed the merits of the offering of Units or confirmed the accuracy or determined the adequacy of the Memorandum. The Memorandum has not been reviewed by any federal, state or other regulatory authority;

(d) All documents, records, and books pertaining to the investment in the Units (including, without limitation, the Memorandum) have been made available for inspection by such Purchaser and its Advisers, if any;

(e) The Purchaser and its Advisers, if any, have had a reasonable opportunity to ask questions of and receive answers from a person or persons acting on behalf of the Company concerning the offering of the Units and the business, financial condition and results of operations of the Company and JBT, and all such questions have been answered to the full satisfaction of the Purchaser and its Advisers, if any;

(f) In evaluating the suitability of an investment in the Company, the Purchaser has not relied upon any representation or information (oral or written) other than as stated in the Memorandum.

(g) The Purchaser is unaware of, is in no way relying on, and did not become aware of the Offering of the Units through or as a result of, any form of general solicitation or general advertising including, without limitation, any article, notice, advertisement or other communication published in any newspaper, magazine or similar media or broadcast over television, radio or the Internet (including, without limitation, internet "blogs," bulletin boards, discussion groups and social networking sites) in connection with the Offering and sale of the Units and is not subscribing for the Units and did not become aware of the Offering of the Units through or as a result of any seminar or meeting to which the Purchaser was invited by, or any solicitation of a subscription by, a person not previously known to the Purchaser in connection with investments in securities generally;

(h) The Purchaser has taken no action that would give rise to any claim by any person for brokerage commissions, finders' fees or the like relating to this Subscription Agreement or the transactions contemplated hereby (other than commissions to be paid by the Company to the Placement Agent or as otherwise described in the Memorandum);

(i) The Purchaser, together with its Advisers, if any, has such knowledge and experience in financial, tax, and business matters, and, in particular, investments in securities, so as to enable it to utilize the information made available to it in connection with the Offering to evaluate the merits and risks of an investment in the Units and the Company and to make an informed investment decision with respect thereto;

(j) The Purchaser is not relying on the Company, JBT, the Placement Agent or any of their respective employees or agents with respect to the legal, tax, economic and related considerations of an investment in the Units, and the Purchaser has relied on the advice of, or has consulted with, only its own Advisers;

(k) The Purchaser is acquiring the Units solely for such Purchaser's own account for investment purposes only and not with a view to or intent of resale or distribution thereof, in whole or in part. The Purchaser has no agreement or arrangement, formal or informal, with any person to sell or transfer all or any part of the Units, the shares of Common Stock, the Warrants or the Warrant Shares, and the Purchaser has no plans to enter into any such agreement or arrangement.

(l) The Purchaser must bear the substantial economic risks of the investment in the Units indefinitely because none of the securities included in the Units may be sold, hypothecated or otherwise disposed of unless subsequently registered under the Securities Act and applicable state securities laws or an exemption from such registration is available. Legends shall be placed on the securities included in the Units to the effect that they have not been registered under the Securities Act or applicable state securities laws and appropriate notations thereof will be made in the Company's stock books. Stop transfer instructions will be placed with the transfer agent of the Units. The Company has agreed that purchasers of the Units will have, with respect to the shares of Common Stock and the Warrant Shares, the registration rights described in the Registration Rights Agreement. Notwithstanding such registration rights, there can be no assurance that there will be any market for resale of the Units, the Common Stock, the Warrants or the Warrant Shares, nor can there be any assurance that such securities will be freely transferable at any time in the foreseeable future.

(m) The Purchaser has adequate means of providing for such Purchaser's current financial needs and foreseeable contingencies and has no need for liquidity from its investment in the Units for an indefinite period of time;

(n) The Purchaser is aware that an investment in the Units is high risk, involving a number of very significant risks and has carefully read and considered the matters set forth under the caption "Risk Factors" in the Memorandum, and, in particular, acknowledges that JBT has a limited operating history, significant operating losses since inception, no revenues from operations to date, limited assets and is engaged in a highly competitive business;

(o) The Purchaser meets the requirements of at least one of the suitability standards for an "accredited investor" as that term is defined in Regulation D and as set forth on the Accredited Investor Certification contained herein;

(p) The Purchaser (i) if a natural person, represents that the Purchaser has reached the age of 21 and has full power and authority to execute and deliver this Subscription Agreement and all other related agreements or certificates and to carry out the provisions hereof and thereof; (ii) if a corporation, partnership, or limited liability company or partnership, or association, joint stock company, trust, unincorporated organization or other entity, represents that such entity was not formed for the specific purpose of acquiring the Units, such entity is duly organized, validly existing and in good standing under the laws of the state of its organization, the consummation of the transactions contemplated hereby is authorized by, and will not result in a violation of state law or its charter or other organizational documents, such entity has full power and authority to execute and deliver this Subscription Agreement and all other related agreements or certificates and to carry out the provisions hereof and thereof and to purchase and hold the securities constituting the Units, the execution and delivery of this Subscription Agreement has been duly authorized by all necessary action, this Subscription Agreement has been duly executed and delivered on behalf of such entity and is a legal, valid and binding obligation of such entity; or (iii) if executing this Subscription Agreement in a representative or fiduciary capacity, represents that it has full power and authority to execute and deliver this Subscription Agreement in such capacity and on behalf of the subscribing individual, ward, partnership, trust, estate, corporation, or limited liability company or partnership, or other entity for whom the Purchaser is executing this Subscription Agreement, and such individual, partnership, ward, trust, estate, corporation, or limited liability company or partnership, or other entity has full right and power to perform pursuant to this Subscription Agreement and make an investment in the Company, and represents that this Subscription Agreement constitutes a legal, valid and binding obligation of such entity. The execution and delivery of this Subscription Agreement will not violate or be in conflict with any order, judgment, injunction, agreement or controlling document to which the Purchaser is a party or by which it is bound;

(q) The Purchaser and the Advisers, if any, have had the opportunity to obtain any additional information, to the extent the Company and/or JBT have such information in its possession or could acquire it without unreasonable effort or expense, necessary to verify the accuracy of the information contained in the Memorandum and all documents received or reviewed in connection with the purchase of the Units and have had the opportunity to have representatives of the Company and JBT provide them with such additional information regarding the terms and conditions of this particular investment and the financial condition, results of operations, business of the Company and JBT deemed relevant by the Purchaser or the Advisers, if any, and all such requested information, to the extent the Company or JBT had such information in their possession or could acquire it without unreasonable effort or expense, has been provided to the full satisfaction of the Purchaser and the Advisers, if any;

(r) Any information which the Purchaser has heretofore furnished or is furnishing herewith to the Company, JBT or the Placement Agent is complete and accurate and may be relied upon by the Company, JBT and the Placement Agent in determining the availability of an exemption from registration under federal and state securities laws in connection with the offering of securities as described in the Memorandum. The Purchaser further represents and warrants that it will notify and supply corrective information to the Company, JBT and the Placement Agent immediately upon the occurrence of any change therein occurring prior to the Company's issuance of the securities contained in the Units;

(s) The Purchaser has significant prior investment experience, including investment in non-listed and non-registered securities. The Purchaser is knowledgeable about investment considerations in development-stage companies with limited operating histories. The Purchaser has a sufficient net worth to sustain a loss of its entire investment in the Company in the event such a loss should occur. The Purchaser's overall commitment to investments which are not readily marketable is not excessive in view of the Purchaser's net worth and financial circumstances and the purchase of the Units will not cause such commitment to become excessive. The investment is a suitable one for the Purchaser;

(t) The Purchaser is satisfied that the Purchaser has received adequate information with respect to all matters which it or the Advisers, if any, consider material to its decision to make this investment;



(u) The Purchaser acknowledges that any estimates or forward-looking statements or projections included in the Memorandum were prepared by the Company and JBT in good faith but that the attainment of any such projections, estimates or forward-looking statements cannot be guaranteed by the Company or JBT and should not be relied upon;

(v) No oral or written representations have been made, or oral or written information furnished, to the Purchaser or the Advisers, if any, in connection with the Offering which are in any way inconsistent with the information contained in the Memorandum;

(w) Within five (5) days after receipt of a request from the Company, JBT or the Placement Agent, the Purchaser will provide such information and deliver such documents as may reasonably be necessary to comply with any and all laws and ordinances to which the Company, JBT or the Placement Agent is subject;

(x) The Purchaser's substantive relationship with the Placement Agent or subagent through which the Purchaser is subscribing for Units predates the Placement Agent's or such subagent's contact with the Purchaser regarding an investment in the Units;

(y) THE SECURITIES OFFERED HEREBY HAVE NOT BEEN REGISTERED UNDER THE SECURITIES ACT OF 1933, AS AMENDED, OR ANY STATE SECURITIES LAWS AND ARE BEING OFFERED AND SOLD IN RELIANCE ON EXEMPTIONS FROM THE REGISTRATION REQUIREMENTS OF SAID ACT AND SUCH LAWS. THE SECURITIES ARE SUBJECT TO RESTRICTIONS ON TRANSFERABILITY AND RESALE AND MAY NOT BE TRANSFERRED OR RESOLD EXCEPT AS PERMITTED UNDER SAID ACT AND SUCH LAWS PURSUANT TO REGISTRATION OR EXEMPTION THEREFROM. THE SECURITIES HAVE NOT BEEN RECOMMENDED, APPROVED OR DISAPPROVED BY THE SECURITIES AND EXCHANGE COMMISSION, ANY STATE SECURITIES COMMISSION OR ANY OTHER REGULATORY AUTHORITY, NOR HAVE ANY OF THE FOREGOING AUTHORITIES PASSED UPON OR ENDORSED THE MERITS OF THIS OFFERING OR THE ACCURACY OR ADEQUACY OF THE MEMORANDUM OR THIS SUBSCRIPTION AGREEMENT. ANY REPRESENTATION TO THE CONTRARY IS UNLAWFUL;

(z) In making an investment decision investors must rely on their own examination of the Company, JBT and the terms of the Offering, including the merits and risks involved. The Purchaser should be aware that it will be required to bear the financial risks of this investment for an indefinite period of time;

(aa) **(For ERISA plans only)** The fiduciary of the ERISA plan (the "Plan") represents that such fiduciary has been informed of and understands the Company's investment objectives, policies and strategies, and that the decision to invest "plan assets" (as such term is defined in ERISA) in the Company is consistent with the provisions of ERISA that require diversification of plan assets and impose other fiduciary responsibilities. The Purchaser fiduciary or Plan (a) is responsible for the decision to invest in the Company; (b) is independent of the Company or any of its affiliates; (c) is qualified to make such investment decision; and (d) in making such decision, the Purchaser fiduciary or Plan has not relied primarily on any advice or recommendation of the Company or any of its affiliates;

(bb) **The Purchaser should check the Office of Foreign Assets Control (“OFAC”) website at <<http://www.treas.gov/ofac>> before making the following representations.** The Purchaser represents that the amounts invested by it in the Company in the Offering were not and are not directly or indirectly derived from activities that contravene federal, state or international laws and regulations, including anti-money laundering laws and regulations. Federal regulations and Executive Orders administered by OFAC prohibit, among other things, the engagement in transactions with, and the provision of services to, certain foreign countries, territories, entities and individuals. The lists of OFAC prohibited countries, territories, persons and entities can be found on the OFAC website at <<http://www.treas.gov/ofac>>. In addition, the programs administered by OFAC (the “OFAC Programs”) prohibit dealing with individuals<sup>1</sup> or entities in certain countries regardless of whether such individuals or entities appear on the OFAC lists;

(cc) To the best of the Purchaser’s knowledge, none of: (1) the Purchaser; (2) any person controlling or controlled by the Purchaser; (3) if the Purchaser is a privately-held entity, any person having a beneficial interest in the Purchaser; or (4) any person for whom the Purchaser is acting as agent or nominee in connection with this investment is a country, territory, individual or entity named on an OFAC list, or a person or entity prohibited under the OFAC Programs. Please be advised that the Company may not accept any amounts from a prospective investor if such prospective investor cannot make the representation set forth in the preceding paragraph. The Purchaser agrees to promptly notify the Company and the Placement Agent should the Purchaser become aware of any change in the information set forth in these representations. The Purchaser understands and acknowledges that, by law, the Company may be obligated to “freeze the account” of the Purchaser, either by prohibiting additional subscriptions from the Purchaser, declining any redemption requests and/or segregating the assets in the account in compliance with governmental regulations, and the Placement Agent may also be required to report such action and to disclose the Purchaser’s identity to OFAC. The Purchaser further acknowledges that the Company may, by written notice to the Purchaser, suspend the redemption rights, if any, of the Purchaser if the Company reasonably deems it necessary to do so to comply with anti-money laundering regulations applicable to the Company and the Placement Agent or any of the Company’s other service providers. These individuals include specially designated nationals, specially designated narcotics traffickers and other parties subject to OFAC sanctions and embargo programs;

(dd) To the best of the Purchaser’s knowledge, none of: (1) the Purchaser; (2) any person controlling or controlled by the Purchaser; (3) if the Purchaser is a privately-held entity, any person having a beneficial interest in the Purchaser; or (4) any person for whom the Purchaser is acting as agent or nominee in connection with this investment is a senior foreign political figure,<sup>2</sup> or any immediate family<sup>3</sup> member or close associate<sup>4</sup> of a senior foreign political figure, as such terms are defined in the footnotes below; and

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<sup>1</sup> These individuals include specially designated nationals, specially designated narcotics traffickers and other parties subject to OFAC sanctions and embargo programs.

<sup>2</sup> A “senior foreign political figure” is defined as a senior official in the executive, legislative, administrative, military or judicial branches of a foreign government (whether elected or not), a senior official of a major foreign political party, or a senior executive of a foreign government-owned corporation. In addition, a “senior foreign political figure” includes any corporation, business or other entity that has been formed by, or for the benefit of, a senior foreign political figure.

<sup>3</sup> “Immediate family” of a senior foreign political figure typically includes the figure’s parents, siblings, spouse, children and in-laws.

<sup>4</sup> A “close associate” of a senior foreign political figure is a person who is widely and publicly known to maintain an unusually close relationship with the senior foreign political figure, and includes a person who is in a position to conduct substantial domestic and international financial transactions on behalf of the senior foreign political figure.

(ee) If the Purchaser is affiliated with a non-U.S. banking institution (a “Foreign Bank”), or if the Purchaser receives deposits from, makes payments on behalf of, or handles other financial transactions related to a Foreign Bank, the Purchaser represents and warrants to the Company that: (1) the Foreign Bank has a fixed address, other than solely an electronic address, in a country in which the Foreign Bank is authorized to conduct banking activities; (2) the Foreign Bank maintains operating records related to its banking activities; (3) the Foreign Bank is subject to inspection by the banking authority that licensed the Foreign Bank to conduct banking activities; and (4) the Foreign Bank does not provide banking services to any other Foreign Bank that does not have a physical presence in any country and that is not a regulated affiliate.

7. **Lockup.** The Purchaser hereby acknowledges and agrees to the contractual restriction on transfer that will be applicable to the shares of Common Stock and the Warrant Shares as set forth in Section 3(f) of the Registration Rights Agreement.

8. **Indemnification.** The Purchaser agrees to indemnify and hold harmless the Company, JBT, the Placement Agent (including its selected dealers, if any), and their respective officers, directors, employees, agents, control persons and affiliates from and against all losses, liabilities, claims, damages, costs, fees and expenses whatsoever (including, but not limited to, any and all expenses incurred in investigating, preparing or defending against any litigation commenced or threatened) based upon or arising out of any actual or alleged false acknowledgment, representation or warranty, or misrepresentation or omission to state a material fact, or breach by the Purchaser of any covenant or agreement made by the Purchaser herein or in any other document delivered in connection with this Subscription Agreement.

9. **Irrevocability; Binding Effect.** The Purchaser hereby acknowledges and agrees that the subscription hereunder is irrevocable by the Purchaser, except as required by applicable law, and that this Subscription Agreement shall survive the death or disability of the Purchaser and shall be binding upon and inure to the benefit of the parties and their heirs, executors, administrators, successors, legal representatives, and permitted assigns. If the Purchaser is more than one person, the obligations of the Purchaser hereunder shall be joint and several and the agreements, representations, warranties, and acknowledgments herein shall be deemed to be made by and be binding upon each such person and such person’s heirs, executors, administrators, successors, legal representatives, and permitted assigns.

10. **Modification.** This Subscription Agreement shall not be modified or waived except by an instrument in writing signed by the party against whom any such modification or waiver is sought.

11. **Immaterial Modifications to the Registration Rights Agreement.** The Company may, at any time prior to the First Closing, modify the Registration Rights Agreement if necessary to clarify any provision therein, without first providing notice or obtaining prior consent of the Subscriber, if, and only if, such modification is not material in any respect.

12. **Notices.** Any notice or other communication required or permitted to be given hereunder shall be in writing and shall be mailed by certified mail, return receipt requested, or delivered against receipt to the party to whom it is to be given (a) if to the Company or JBT, at the address set forth above, or (b) if to the Purchaser, at the address set forth on the signature page hereof (or, in either case, to such other address as the party shall have furnished in writing in accordance with the provisions of this Section 12). Any notice or other communication given by certified mail shall be deemed given at the time of certification thereof, except for a notice changing a party's address which shall be deemed given at the time of receipt thereof.

13. **Assignability.** This Subscription Agreement and the rights, interests and obligations hereunder are not transferable or assignable by the Purchaser and the transfer or assignment of the shares of Common Stock or the Warrants shall be made only in accordance with all applicable laws.

14. **Applicable Law.** This Subscription Agreement shall be governed by and construed in accordance with the laws of the State of New York applicable to contracts to be wholly- performed within said State.

15. **Arbitration.** The parties agree to submit all controversies to arbitration in accordance with the provisions set forth below and understand that:

(a) Arbitration is final and binding on the parties.

(b) The parties are waiving their right to seek remedies in court, including the right to a jury trial.

(c) Pre-arbitration discovery is generally more limited and different from court proceedings.

(d) The arbitrator's award is not required to include factual findings or legal reasoning and any party's right to appeal or to seek modification of rulings by arbitrators is strictly limited.

(e) The panel of arbitrators will typically include a minority of arbitrators who were or are affiliated with the securities industry.

(f) All controversies which may arise between the parties concerning this Subscription Agreement shall be determined by arbitration pursuant to the rules then pertaining to the Financial Industry Regulatory Authority, Inc. ("FINRA") in New York City, New York. Judgment on any award of any such arbitration may be entered in the Supreme Court of the State of New York or in any other court having jurisdiction of the person or persons against whom such award is rendered. Any notice of such arbitration or for the confirmation of any award in any arbitration shall be sufficient if given in accordance with the provisions of this Agreement. The parties agree that the determination of the arbitrators shall be binding and conclusive upon them.

16. **Blue Sky Qualification.** The purchase of Units under this Subscription Agreement is expressly conditioned upon the exemption from qualification of the offer and sale of the Units from applicable federal and state securities laws. The Company shall not be required to qualify this transaction under the securities laws of any jurisdiction and, should qualification be necessary, the Company shall be released from any and all obligations to maintain its offer, and may rescind any sale contracted, in the jurisdiction.

17. **Use of Pronouns.** All pronouns and any variations thereof used herein shall be deemed to refer to the masculine, feminine, neuter, singular or plural as the identity of the person or persons referred to may require.

18. **Confidentiality.** The Purchaser acknowledges and agrees that any information or data the Purchaser has acquired from or about the Company or JBT, not otherwise properly in the public domain, was received in confidence. The Purchaser agrees not to divulge, communicate or disclose, except as may be required by law or for the performance of this Agreement, or use to the detriment of the Company or JBT or for the benefit of any other person or persons, or misuse in any way, any confidential information of the Company or JBT, including any scientific, technical, trade or business secrets of the Company or JBT and any scientific, technical, trade or business materials that are treated by the Company or JBT as confidential or proprietary, including, but not limited to, ideas, discoveries, inventions, developments and improvements belonging to the Company or JBT and confidential information obtained by or given to the Company or JBT about or belonging to third parties.

19. **Miscellaneous.**

(a) This Subscription Agreement, together with the Registration Rights Agreement, constitute the entire agreement between the Purchaser and the Company with respect to the subject matter hereof and supersede all prior oral or written agreements and understandings, if any, relating to the subject matter hereof. The terms and provisions of this Subscription Agreement may be waived, or consent for the departure therefrom granted, only by a written document executed by the party entitled to the benefits of such terms or provisions.

(b) The representations and warranties of the Company and the Purchaser made in this Subscription Agreement shall survive the execution and delivery hereof and delivery of the shares of Common Stock and Warrants contained in the Units.

(c) Each of the parties hereto shall pay its own fees and expenses (including the fees of any attorneys, accountants, appraisers or others engaged by such party) in connection with this Subscription Agreement and the transactions contemplated hereby whether or not the transactions contemplated hereby are consummated.

(d) This Subscription Agreement may be executed in one or more counterparts each of which shall be deemed an original, but all of which shall together constitute one and the same instrument.

(e) Each provision of this Subscription Agreement shall be considered separable and, if for any reason any provision or provisions hereof are determined to be invalid or contrary to applicable law, such invalidity or illegality shall not impair the operation of or affect the remaining portions of this Subscription Agreement.

(f) Paragraph titles are for descriptive purposes only and shall not control or alter the meaning of this Subscription Agreement as set forth in the text.

(g) The Purchaser understands and acknowledges that there may be multiple closings for this Offering.

20. **Omnibus Signature Page.** This Subscription Agreement is intended to be read and construed in conjunction with the Registration Rights Agreement pertaining to the issuance by the Company of the shares of Common Stock and Warrants to subscribers pursuant to the Memorandum. Accordingly, pursuant to the terms and conditions of this Subscription Agreement and such related agreements it is hereby agreed that the execution by the Purchaser of this Subscription Agreement, in the place set forth herein, shall constitute agreement to be bound by the terms and conditions hereof and the terms and conditions of the Registration Rights Agreement, with the same effect as if each of such separate but related agreement were separately signed.

**[REMAINDER OF PAGE INTENTIONALLY LEFT BLANK]**

**PRIVATE PLACEMENT OFFERING OF  
CORBUS PHARMACEUTICALS HOLDINGS, INC.**

**SUBSCRIPTION INSTRUCTIONS**

**To subscribe for Units in the private offering of Corbus Pharmaceuticals Holdings, Inc.:**

1. **Date and Fill in** the number of Units being purchased and **Complete and Sign** the Omnibus Signature Page to the Subscription Agreement and the Registration Rights Agreement (page 14).
2. **Initial** the Accredited Investor Certification page attached to the Subscription Agreement (page 15-16).
3. **Complete** and return the Investor Profile (page 17) and the Wire Transfer Authorization attached to the Subscription Agreement.
4. **Complete and Sign** the Selling Stockholder Questionnaire attached hereto (see page A-8 of Annex A to the Subscription Agreement).
5. **Fax or e-mail** all forms to Tierney S. Picardal at **646-390-9122/tpicardal@aegiscap.com** and then send all signed original documents to:

**Aegis Capital Corp.  
810 Seventh Avenue – 18th Floor  
New York, NY 10019  
Attention: Tierney S. Picardal**

6. Please wire funds directly to the escrow account pursuant to the following instructions (unless other arrangements have been made):

**Bank Name: Signature Bank**  
**ABA Number:**  
**A/C Name: Signature Bank, as Agent For**  
**Corbus Pharmaceuticals Holdings, Inc.**  
**A/C Number:**  
**FBO: Investor Name**  
**Social Security Number**  
**Address**

**ANTI MONEY LAUNDERING REQUIREMENTS**

<b>The USA PATRIOT Act</b>	<b>What is money laundering?</b>	<b>How big is the problem and why is it important?</b>
<p>The USA PATRIOT Act is designed to detect, deter, and punish terrorists in the United States and abroad. The Act imposes new anti-money laundering requirements on brokerage firms and financial institutions. Since April 24, 2002 all brokerage firms have been required to have new, comprehensive anti-money laundering programs.</p> <p>To help you understand these efforts, we want to provide you with some information about money laundering and the Placement Agent’s efforts to implement the USA PATRIOT Act.</p>	<p>Money laundering is the process of disguising illegally obtained money so that the funds appear to come from legitimate sources or activities. Money laundering occurs in connection with a wide variety of crimes, including illegal arms sales, drug trafficking, robbery, fraud, racketeering, and terrorism.</p>	<p>The use of the U.S. financial system by criminals to facilitate terrorism or other crimes could well taint our financial markets. According to the U.S. State Department, one recent estimate puts the amount of worldwide money laundering activity at \$1 trillion a year.</p>

<b>What the Placement Agent is required to do to help eliminate money laundering?</b>	
<p>Under new rules required by the USA PATRIOT Act, the Placement Agent’s anti-money laundering program must designate a special compliance officer, set up employee training, conduct independent audits, and establish policies and procedures to detect and report suspicious transaction and ensure compliance with the new laws.</p>	<p>As part of the Placement Agent’s required program, it may ask you to provide various identification documents or other information. Until you provide the information or documents that the Placement Agent needs, it may not be able to effect any transactions for you.</p>



**CORBUS PHARMACEUTICALS HOLDINGS, INC.  
OMNIBUS SIGNATURE PAGE TO THE  
SUBSCRIPTION AGREEMENT  
AND REGISTRATION RIGHTS AGREEMENT**

**Subscriber hereby elects to subscribe under the Subscription Agreement for a total of \_\_\_\_\_ Units at a price of \$250,000 per Unit (NOTE: to be completed by subscriber) and executes the Subscription Agreement and the Registration Rights Agreement.**

Date (NOTE: To be completed by subscriber): \_\_\_\_\_

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If the Purchaser is an INDIVIDUAL, and if purchased as JOINT TENANTS, as TENANTS IN COMMON, or as COMMUNITY PROPERTY:

_____	_____
Print Name(s)	Social Security Number(s)
_____	_____
Signature(s) of Subscriber(s)	Signature
_____	_____
Date	Address

If the Purchaser is a PARTNERSHIP, CORPORATION, LIMITED LIABILITY COMPANY or TRUST:

_____	_____
Name of Partnership, Corporation, Limited Liability Company or Trust	Federal Taxpayer Identification Number
By: _____	_____
Name:	State of Organization
Title:	
_____	_____
Date	Address

**CORBUS PHARMACEUTICALS  
HOLDINGS, INC.**

**AEGIS CAPITAL CORP.**

By: \_\_\_\_\_  
Authorized Officer

By: \_\_\_\_\_  
Authorized Officer

**CORBUS PHARMACEUTICALS, INC.  
(f/k/a JB THERAPEUTICS, INC.)**

By: \_\_\_\_\_  
Authorized Officer

**CORBUS PHARMACEUTICALS HOLDINGS, INC.**

**ACCREDITED INVESTOR CERTIFICATION**

**For Individual Investors Only**

**(all Individual Investors must *INITIAL* where appropriate):**

**Initial** \_\_\_\_\_

I have an individual net worth, or joint net worth with my spouse, as of the date hereof in excess of \$1 million. For purposes of calculating net worth under this category, (i) the undersigned's primary residence shall not be included as an asset, (ii) indebtedness that is secured by the undersigned's primary residence, up to the estimated fair market value of the primary residence at the time of the sale of securities, shall not be included as a liability, (iii) to the extent that the indebtedness that is secured by the primary residence is in excess of the fair market value of the primary residence, the excess amount shall be included as a liability, and (iv) if the amount of outstanding indebtedness that is secured by the primary residence exceeds the amount outstanding 60 days prior to the execution of this Subscription Agreement, other than as a result of the acquisition of the primary residence, the amount of such excess shall be included as a liability.

**Initial** \_\_\_\_\_

I have had an annual gross income for the past two years of at least \$200,000 (or \$300,000 jointly with my spouse) and expect my income (or joint income, as appropriate) to reach the same level in the current year.

**Initial** \_\_\_\_\_

I am a director or executive officer of Corbus Pharmaceuticals Holdings, Inc.

**For Non-Individual Investors**

**(all Non-Individual Investors must *INITIAL* where appropriate):**

**Initial** \_\_\_\_\_

The investor certifies that it is a partnership, corporation, limited liability company or business trust that is 100% owned by persons who meet at least one of the criteria for Individual Investors set forth above.

**Initial** \_\_\_\_\_

The investor certifies that it is a partnership, corporation, limited liability company or any organization described in Section 501(c)(3) of the Internal Revenue Code, Massachusetts or similar business trust that has total assets of at least \$5 million and was not formed for the purpose of investing the Company.

**Initial** \_\_\_\_\_

The investor certifies that it is an employee benefit plan within the meaning of the Employee Retirement Income Security Act of 1974, whose investment decision is made by a plan fiduciary (as defined in ERISA §3(21)) that is a bank, savings and loan association, insurance company or registered investment adviser.

**Initial** \_\_\_\_\_

The investor certifies that it is an employee benefit plan whose total assets exceed \$5,000,000 as of the date of this Agreement.

**Initial** \_\_\_\_\_

The undersigned certifies that it is a self-directed employee benefit plan whose investment decisions are made solely by persons who meet either of the criteria for Individual Investors.

- Initial** \_\_\_\_\_ The investor certifies that it is a U.S. bank, U.S. savings and loan association or other similar U.S. institution acting in its individual or fiduciary capacity.
- Initial** \_\_\_\_\_ The undersigned certifies that it is a broker-dealer registered pursuant to §15 of the Securities Exchange Act of 1934.
- Initial** \_\_\_\_\_ The investor certifies that it is an organization described in §501(c)(3) of the Internal Revenue Code with total assets exceeding \$5,000,000 and not formed for the specific purpose of investing in the Company.
- Initial** \_\_\_\_\_ The investor certifies that it is a trust with total assets of at least \$5,000,000, not formed for the specific purpose of investing in the Company, and whose purchase is directed by a person with such knowledge and experience in financial and business matters that he is capable of evaluating the merits and risks of the prospective investment.
- Initial** \_\_\_\_\_ The investor certifies that it is a plan established and maintained by a state or its political subdivisions, or any agency or instrumentality thereof, for the benefit of its employees, and which has total assets in excess of \$5,000,000.
- Initial** \_\_\_\_\_ The investor certifies that it is an insurance company as defined in §2(13) of the Securities Act, or a registered investment company.
- Initial** \_\_\_\_\_ An investment company registered under the Investment Company Act of 1940 or a business development company as defined in Section 2(a)(48) of that Act.
- Initial** \_\_\_\_\_ A Small Business Investment Company licensed by the U.S. Small Business Administration under Section 301(c) or (d) of the Small Business Investment Act of 1958.
- Initial** \_\_\_\_\_ A private business development company as defined in Section 202(a)(22) of the Investment Advisers Act of 1940.

**CORBUS PHARMACEUTICALS HOLDINGS, INC.**

*Investor Profile*  
*(Must be completed by Investor)*

Section A - Personal Investor Information

Investor Name(s): \_\_\_\_\_  
Individual executing Profile or Trustee: \_\_\_\_\_  
Social Security Numbers / Federal I.D. Number: \_\_\_\_\_

Date of Birth: \_\_\_\_\_ Marital Status: \_\_\_\_\_  
Joint Party Date of Birth: \_\_\_\_\_ Investment Experience: \_\_\_\_\_  
Annual Income: \_\_\_\_\_ Liquid Net Worth: \_\_\_\_\_

Net Worth (**excluding value of primary residence**) \_\_\_\_\_

Tax Bracket: \_\_\_\_\_ 15% or below \_\_\_\_\_ 25%-27.5% \_\_\_\_\_ Over 27.5%

Investment Objectives (**circle one or more**): Preservation of Capital, Income, Capital Appreciation, Trading Profits, Speculation or Other  
(please specify) \* See definitions on following page

Home Street Address: \_\_\_\_\_  
Home City, State & Zip Code: \_\_\_\_\_  
Home Phone: \_\_\_\_\_ Home Fax: \_\_\_\_\_ Home Email \_\_\_\_\_  
Employer: \_\_\_\_\_  
Employer Street Address: \_\_\_\_\_  
Employer City, State & Zip Code: \_\_\_\_\_  
Bus. Phone: \_\_\_\_\_ Bus. Fax: \_\_\_\_\_ Bus. Email \_\_\_\_\_  
Type of Business: \_\_\_\_\_

Aegis Capital Account Executive / Outside Broker/Dealer: \_\_\_\_\_

If you are a **United States citizen**, please list the number and jurisdiction of issuance of any other government-issued document evidencing residence and bearing a photograph or similar safeguard (such as a driver's license or passport), and **provide a photocopy** of each of the documents you have listed.

If you are **NOT a United States citizen**, for each jurisdiction of which you are a citizen or in which you work or reside, please list (i) your passport number and country of issuance or (ii) alien identification card number AND (iii) number and country of issuance of any other government-issued document evidencing nationality or residence and bearing a photograph or similar safeguard, and provide a photocopy of each of these documents you have listed. These photocopies must be certified by a lawyer as to authenticity.

Section B – Securities Delivery Instructions

\_\_\_\_ Please deliver securities to the Employer Address listed in Section A.  
\_\_\_\_ Please deliver securities to the Home Address listed in Section A.  
\_\_\_\_ Please deliver securities to the following address:

\_\_\_\_\_.

Section C – Wire Transfer Instructions

\_\_\_\_ I will wire funds from my outside account according to the "Subscription Instructions" Page.  
\_\_\_\_ I will wire funds from my Aegis Capital Account - See "Wire Transfer Authorization" Page.  
\_\_\_\_ The funds for this investment are rolled over, tax deferred from \_\_\_\_\_ within the allowed 60 day window.

Please check if you are a FINRA member or affiliate of a FINRA member firm: \_\_\_\_\_

\_\_\_\_\_  
**Investor Signature**

\_\_\_\_\_  
**Date**

\_\_\_\_\_  
**Investor Signature**

\_\_\_\_\_  
**Date**

**Investment Objectives:** The typical investment listed with each objective are only some examples of the kinds of investments that have historically been consistent with the listed objectives. However, neither Corbus Pharmaceuticals Holdings, Inc., JB Therapeutics, Inc. nor Aegis Capital Corp. can assure that any investment will achieve your intended objective. You must make your own investment decisions and determine for yourself if the investments you select are appropriate and consistent with your investment objectives.

Neither Corbus Pharmaceuticals Holdings, Inc., JB Therapeutics, Inc. nor Aegis Capital Corp. assume responsibility to you for determining if the investments you selected are suitable for you.

**Preservation of Capital:** An investment objective of *Preservation of Capital* indicates you seek to maintain the principal value of your investments and are interested in investments that have historically demonstrated a very low degree of risk of loss of principal value. Some examples of typical investments might include money market funds and high quality, short-term fixed income products.

**Income:** An investment objective of *Income* indicates you seek to generate income from investments and are interested in investments that have historically demonstrated a low degree of risk of loss of principal value. Some examples of typical investments might include high quality, short and medium-term fixed income products, short-term bond funds and covered call options.

**Capital Appreciation:** An investment objective of *Capital Appreciation* indicates you seek to grow the principal value of your investments over time and are willing to invest in securities that have historically demonstrated a moderate to above average degree of risk of loss of principal value to pursue this objective. Some examples of typical investments might include common stocks, lower quality, medium-term fixed income products, equity mutual funds and index funds.

**Trading Profits:** An investment objective of *Trading Profits* indicates you seek to take advantage of short-term trading opportunities, which may involve establishing and liquidating positions quickly. Some examples of typical investments might include short-term purchases and sales of volatile or low priced common stocks, put or call options, spreads, straddles and/or combinations on equities or indexes. This is a high-risk strategy.

**Speculation:** An investment objective of *Speculation* indicates you seek a significant increase in the principal value of your investments and are willing to accept a corresponding greater degree of risk by investing in securities that have historically demonstrated a high degree of risk of loss of principal value to pursue this objective. Some examples of typical investments might include lower quality, long-term fixed income products, initial public offerings, volatile or low priced common stocks, the purchase of sale of put or call options, spreads, straddles and/or combinations on equities or indexes, and the use of short-term or day trading strategies.

**Other:** Please specify.

**Memorandum  
Wire Transfer Authorization**

TO: Tierney S. Picardal  
Aegis Capital Corp.

RE: Client Wire Transfer Authorization  
**CORBUS PHARMACEUTICALS HOLDINGS, INC.**

DATE: \_\_\_\_\_

\_\_\_\_\_  
This memorandum authorizes the transfer of the following listed funds from my Aegis Capital Brokerage Account as follows:

Aegis Capital Brokerage Account # \_\_\_\_\_

Wire Amount \$ \_\_\_\_\_

Bank:	Signature Bank
Acct. Name:	Signature Bank as Escrow Agent for Corbus Pharmaceuticals Holdings, Inc. 261 Madison Avenue New York, New York 10016
ABA Number:	
A/C Number:	

**REFERENCE:**

**PURCHASER LEGAL NAME**

\_\_\_\_\_

**TAX ID NUMBER**

\_\_\_\_\_

**PURCHASER ADDRESS**

\_\_\_\_\_

FBO: \_\_\_\_\_

Investment Title: \_\_\_\_\_

Signature: \_\_\_\_\_

Signature: \_\_\_\_\_  
(Joint Signature)

**VOTING AGREEMENT**

This **VOTING AGREEMENT** (this "Agreement") is entered into as of April 11, 2014 (the "Effective Date") by and among Corbus Pharmaceuticals Holdings, Inc., a Delaware corporation (the "Company"), the parties listed as stockholders of JB Therapeutics, Inc. (the "JB Therapeutics Stockholders") on the signature pages hereto and the parties listed as stockholders of the Company (the "Holdings Stockholders") on the signature pages hereto (each, a "Stockholder" and collectively, the "Stockholders").

**WITNESSETH:**

**WHEREAS**, as of the date hereof, each Stockholder holds and is entitled to vote (or to direct the voting of) shares of voting common stock, par value \$0.0001 per share (the "Voting Common Shares"), of the Company, (such Voting Common Shares, together with any other Voting Common Shares the voting power of which is acquired by such Stockholders during the period from the date hereof through the date on which this Agreement is terminated in accordance with its terms (such period, the "Voting Period"), are collectively referred to herein as the "Subject Shares");

**WHEREAS**, the Company has entered into an Agreement and Plan of Merger with JB Therapeutics, Inc., a Delaware corporation ("JB Therapeutics"), pursuant to which a newly organized, wholly-owned subsidiary of the Company has merged with and into JB Therapeutics, with JB Therapeutics remaining as the surviving entity and a wholly-owned subsidiary of the Company (the "Merger");

**WHEREAS**, simultaneously with the Merger and to provide the capital required by the Company for working capital and other purposes, the Company has offered in compliance with Rule 506 of Regulation D of the Securities Act of 1933, as amended, to investors in a private placement transaction (the "PPO"), units ("Units") of its securities, each Unit consisting of Two Hundred Fifty Thousand (250,000) shares of Common Stock (the "Investor Shares") and Two Hundred Fifty Thousand (250,000) warrants (the "Investor Warrants") to purchase Two Hundred Fifty Thousand (250,000) shares of Common Stock;

**WHEREAS**, the initial closing of the PPO and the closing of the Merger have taken place as of the Effective Date; and

**WHEREAS**, as an inducement to the parties' willingness to consummate the transactions contemplated by the Merger Agreement, the Company and the Stockholders are entering into this Agreement.

**NOW, THEREFORE**, in consideration of the mutual promises, representations, warranties, covenants, and conditions set forth herein, the parties mutually agree as follows:

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**ARTICLE I  
DEFINITIONS**

**Section 1.1 Capitalized Terms.** For purposes of this Agreement, capitalized terms used and not defined herein shall have the respective meanings ascribed to them in the Merger Agreement.

**ARTICLE II  
VOTING AGREEMENT AND IRREVOCABLE PROXY**

**Section 2.1 Agreement to Vote the Subject Shares.** Each Stockholder hereby agrees that, during the Voting Period, at any duly called meeting of the stockholders of the Company (or any adjournment or postponement thereof) or action taken by written consent in lieu of a meeting, each Stockholder shall, if a meeting is held, appear at the meeting, in person or by proxy, or otherwise cause his Subject Shares owned at any time to be counted as present thereat for purposes of establishing a quorum, and he shall vote (or cause to be voted), in person or by proxy, all of his Subject Shares:

(a) to ensure that the size of the Board shall be set and remain at five (5) directors unless increased by the Board.

(b) to ensure that at each annual or special meeting of stockholders at which an election of directors is held or pursuant to any written consent of the Stockholders, the following persons shall be elected to the Board:

(i) One person designated by Aegis Capital Corp. (the "Aegis Designee"), which individual shall initially be David Hochman;

(ii) Three people designated by the JB Therapeutics Stockholders (the "JB Therapeutics Designees"), two of which shall initially be Yuval Cohen and Alan Holmer and one of which shall be an independent person who shall be designated following the Merger; and

(iii) One independent person acceptable to the Aegis Designee and the JB Therapeutics Designees.

**Section 2.2 Grant of Irrevocable Proxy.** If requested by the Company, each Stockholder shall appoint the Company and any designee of the Company, and each of them individually, as each Stockholder's proxy, with full power of substitution and resubstitution, to vote during the Voting Period with respect to any and all of the Subject Shares on the matters and in the manner specified in Section 2.1. Each Stockholder shall take such further action or execute such other instruments as may be reasonably necessary to effectuate the intent of any such proxy. Each Stockholder affirms that any irrevocable proxy given by him with respect to this Agreement and the transactions contemplated hereby shall be given to the Company by such Stockholder to secure the performance of the obligations of the Stockholder under this Agreement. It is agreed that the Company (and its officers on behalf of the Company) will use the irrevocable proxy that may be granted by each Stockholder only in accordance with applicable law and only if such Stockholder fails to comply with Section 2.1 and that, to the extent the Company (and its officers on behalf of the Company) uses any such irrevocable proxy, he will only vote the Subject Shares subject to such irrevocable proxy with respect to the matters specified in, and in accordance with the provisions of, Section 2.1.

**Section 2.3 Nature of Irrevocable Proxy.** Any proxy granted pursuant to Section 2.2 to the Company by the Stockholders shall be irrevocable during the term of this Agreement, shall be deemed to be coupled with an interest sufficient in law to support an irrevocable proxy and shall revoke any and all prior proxies granted by the Stockholders. Any proxy that may be granted hereunder shall terminate upon the termination of this Agreement.

### ARTICLE III COVENANTS

#### **Section 3.1 Subject Shares.**

(a) Each Stockholder agrees that during the Voting Period he shall not, without the Company's prior written consent, grant any proxies or powers of attorney with respect to any or all of the Subject Shares or agree to vote the Subject Shares on any matter inconsistent with the terms described herein; *provided, however*, that in the event a Stockholder transfers all or any portion of his Subject Shares such Stockholder shall be permitted to grant stock powers with respect to such transferred Subject Shares.

(b) In the event of a stock dividend or distribution, or any change in the Subject Shares by reason of any stock dividend or distribution, split-up, recapitalization, combination, conversion, exchange of shares or the like, the term "Subject Shares" shall be deemed to refer to and include the Subject Shares as well as all such stock dividends and distributions and any securities into which or for which any or all of the Subject Shares may be changed or exchanged or which are received in such transaction.

**Section 3.2 Voting Trusts.** Each Stockholder agrees that he will not, nor will he permit any entity under his control to, deposit any of his Subject Shares in a voting trust or subject any of his Subject Shares to any arrangement with respect to the voting of such Subject Shares other than as provided herein. Notwithstanding the foregoing, each Stockholder shall be permitted to transfer all or any portion of his Subject Shares to third parties subject to any contractual restrictions on transfer applicable to his Subject Shares.

**ARTICLE IV**  
**REPRESENTATIONS AND WARRANTIES OF EACH STOCKHOLDER**

Each Stockholder hereby represents and warrants to the Company, severally, but not jointly, as follows:

**Section 4.1 Authority, etc.** The Stockholder (i) if a natural person, represents that the Stockholder has reached the age of 21 and has full power and authority to execute and deliver this Agreement and all other related agreements or certificates and to carry out the provisions hereof and thereof; (ii) if a corporation, partnership, or limited liability company or partnership, or association, joint stock company, trust, unincorporated organization or other entity, represents that such entity was not formed for the specific purpose of acquiring the Units, such entity is duly organized, validly existing and in good standing under the laws of the state of its organization, the consummation of the transactions contemplated hereby is authorized by, and will not result in a violation of state law or its charter or other organizational documents, such entity has full power and authority to execute and deliver this Agreement and all other related agreements or certificates and to carry out the provisions hereof and thereof, the execution and delivery of this Agreement has been duly authorized by all necessary action, this Agreement has been duly executed and delivered on behalf of such entity and is a legal, valid and binding obligation of such entity; or (iii) if executing this Agreement in a representative or fiduciary capacity, represents that it has full power and authority to execute and deliver this Agreement in such capacity and on behalf of the subscribing individual, ward, partnership, trust, estate, corporation, or limited liability company or partnership, or other entity for whom the Stockholder is executing this Agreement, and such individual, partnership, ward, trust, estate, corporation, or limited liability company or partnership, or other entity has full right and power to perform pursuant to this Agreement and represents that this Agreement constitutes a legal, valid and binding obligation of such entity. This Agreement has been duly executed and delivered by each Stockholder and (assuming the due authorization, execution and delivery by the Company) constitutes a valid and binding obligation of such Stockholder, enforceable against such Stockholder in accordance with its terms, except to the extent enforcement is limited by bankruptcy, insolvency, fraudulent transfer, reorganization, moratorium and similar laws of general applicability relating to or affecting creditors' rights and by general equitable principles.

**Section 4.2 Ownership of Shares.** As of the date hereof, each Stockholder is the lawful owner of the Voting Common Shares owned by such Stockholder and has the sole power to vote or cause to be voted such shares or shares power to vote or cause to be voted such shares solely with one or more other persons. Each Stockholder has good and valid title to the Voting Common Shares owned by each Stockholder, free and clear of any and all pledges, mortgages, liens, charges, proxies, voting agreements, encumbrances, adverse claims, options, security interests and demands of any nature or kind whatsoever, other than (i) those created by this Agreement, or (ii) those existing under applicable securities laws.

**Section 4.3 No Conflicts.** (a) No authorization, consent or approval of any other person is necessary for the execution of this Agreement by each Stockholder and (b) none of the execution and delivery of this Agreement by each Stockholder, the consummation by each Stockholder of the transactions contemplated hereby or compliance by each Stockholder with any of the provisions hereof shall (i) result in, or give rise to, a violation or breach of or a default under any of the terms of any material contract, understanding, agreement or other instrument or obligation to which each Stockholder is a party or by which each Stockholder or any of the Subject Shares or its assets may be bound or (ii) violate any applicable order, writ, injunction, decree, judgment, statute, rule or regulation, except for any of the foregoing as would not reasonably be expected to materially impair each Stockholder's ability to perform his obligations under this Agreement.

**ARTICLE V**  
**REPRESENTATIONS AND WARRANTIES OF THE COMPANY**

The Company hereby represents and warrants to each Stockholder as follows:

**Section 5.1 Due Organization, etc.** The Company is a Delaware corporation duly organized and validly existing under the laws of Delaware. The Company has all necessary corporate power and authority to execute and deliver this Agreement and to consummate the transactions contemplated hereby. The execution and delivery of this Agreement and the consummation of the transactions contemplated hereby by the Company have been duly authorized by all necessary corporate action on the part of the Company. This Agreement has been duly executed and delivered by the Company and (assuming the due authorization, execution and delivery by each Stockholder) constitutes a valid and binding obligation of the Company, enforceable against the Company in accordance with its terms, except to the extent enforcement is limited by bankruptcy, insolvency, fraudulent transfer, reorganization, moratorium and similar laws of general applicability relating to or affecting creditors' rights and by general equitable principles.

**Section 5.2 No Conflicts.** (a) No authorization, consent or approval of any other person is necessary for the execution of this Agreement by the Company and (b) none of the execution and delivery of this Agreement by the Company, the consummation by the Company of the transactions contemplated hereby or compliance by the Company with any of the provisions hereof shall (i) conflict with or result in any breach of the organizational documents of the Company, (ii) result in, or give rise to, a violation or breach of or a default under any of the terms of any material contract, understanding, agreement or other instrument or obligation to which the Company is a party or by which the Company or any of its assets may be bound or (iii) violate any applicable order, writ, injunction, decree, judgment, statute, rule or regulation, except for any of the foregoing as would not reasonably be expected to materially impair the Company's ability to perform its obligations under this Agreement.

**ARTICLE VI**  
**TERMINATION**

**Section 6.1 Termination.** This Agreement shall automatically terminate, and neither the Company nor the Stockholders shall have any rights or obligations hereunder and this Agreement shall become null and void and have no effect upon the earliest to occur of: (a) the approval of the holders of at least 75% of the Subject Shares or (b) the closing of a firm commitment underwritten public offering of the Company's shares of Common Stock resulting in gross proceeds of at least \$20 million. The termination of this Agreement shall not prevent either party from seeking any remedies (at law or in equity) against the other party or relieve any party from liability for such party's willful and material breach of any terms of this Agreement. Notwithstanding anything to the contrary herein, (i) the provisions of Article VII shall survive the termination of this Agreement and (ii) if a Stockholder effectuates a sale, transfer or other disposition of his Subject Shares to a party that is not a Stockholder following the expiration of any contractual restrictions applicable to such disposition but during the Voting Period, the transferee shall not acquire Subject Shares subject to the terms of this Agreement.

**ARTICLE VII  
MISCELLANEOUS**

**Section 7.1 Further Actions.** Each of the parties hereto agrees to take any all actions and to do all things reasonably necessary or appropriate to effectuate this Agreement.

**Section 7.2 Amendments, Waivers, etc.** This Agreement may not be amended, changed, supplemented, waived or otherwise modified, except upon the execution and delivery of a written agreement executed by the holders of at least 75% of the Subject Shares. The failure of any party hereto to exercise any right, power or remedy provided under this Agreement or otherwise available in respect hereof at law or in equity, or to insist upon compliance by any other party hereto with its obligations hereunder, and any custom or practice of the parties at variance with the terms hereof shall not constitute a waiver by such party of its right to exercise any such or other right, power or remedy or to demand such compliance.

**Section 7.3 Notices.** All notices or other communications which are required or permitted under this Agreement shall be in writing and sufficient if delivered by hand, by facsimile transmission, by registered or certified mail, post pre-paid, or by courier or overnight carrier, to the persons at the addresses set forth below (or at such other address as may be provided hereunder), and shall be deemed to have been delivered as of the date so delivered:

If to the Company to:

Corbus Pharmaceuticals Holdings, Inc.  
One Kendall Square, Bldg 200  
Cambridge, MA 02139  
Attention: CEO  
Facsimile: (617) 244-3885

with copy to:

Lowenstein Sandler LLP  
1251 Avenue of the Americas  
New York, NY 10020  
Attn: Steven M. Skolnick, Esq.  
Facsimile: (973) 597 2477

If to the Stockholders:

To each Stockholder at the address set forth on the signature page hereto or at such other address as any party shall have furnished to the other parties in writing.

**Section 7.4 Headings.** Headings of the Articles and Sections of this Agreement are for convenience of the parties only, and shall be given no substantive or interpretive effect whatsoever.

**Section 7.5 Severability.** The provisions of this Agreement shall be deemed severable and the invalidity or unenforceability of any provision shall not affect the validity or enforceability of the other provisions hereof. If any provision of this Agreement, or the application of such provision to any person or any circumstance, is invalid or unenforceable (a) a suitable and equitable provision shall be substituted therefor in order to carry out, so far as may be valid and enforceable, the intent and purpose of such invalid or unenforceable provision and (b) the remainder of this Agreement and the application of such provision to other persons or circumstances shall not be affected by such invalidity or unenforceability, nor shall such invalidity or unenforceability affect the validity or enforceability of such provision, or the application of such provision, in any other jurisdiction.

**Section 7.6 Entire Agreement; Assignment.** This Agreement constitutes the entire agreement, and supersedes all other prior agreements and understandings, both written and oral, between the parties, or any of them, with respect to the subject matter hereof. Neither this Agreement nor any of the rights, interests or obligations hereunder shall be assigned by any of the parties hereto (whether by operation of law or otherwise) without the prior written consent of the other parties. Subject to the preceding two sentences, this Agreement will be binding upon, inure to the benefit of and be enforceable by the parties hereto and their respective successors and permitted assigns.

**Section 7.7 Parties in Interest.** The Company and the Stockholders hereby agree that their respective representations, warranties and covenants set forth herein are solely for the benefit of the other party hereto, in accordance with and subject to the terms of this Agreement, and this Agreement is not intended to, and does not, confer upon any person other than the parties hereto any rights or remedies hereunder, including, without limitation, the right to rely upon the representations and warranties set forth herein. The representations and warranties in this Agreement are the product of negotiations among the parties hereto and are for the sole benefit of the parties hereto. Any inaccuracies in such representations and warranties are subject to waiver by the parties hereto in accordance with Section 7.2 without notice or liability to any other person. In some instances, the representations and warranties in this Agreement may represent an allocation among the parties hereto of risks associated with particular matters regardless of the knowledge of any of the parties hereto. Consequently, persons other than the parties hereto may not rely upon the representations and warranties in this Agreement as characterizations of actual facts or circumstances as of the date of this Agreement or as of any other date.

**Section 7.8 Interpretation.** When a reference is made in this Agreement to an Article or Section, such reference shall be to an Article or Section of this Agreement unless otherwise indicated. Whenever the words “include,” or “including” are used in this Agreement, they shall be deemed to be followed by the words “without limitation.” The words “hereof,” “herein” and “hereunder” and words of similar import when used in this Agreement shall refer to this Agreement as a whole and not to any particular provision of this Agreement. All terms defined in this Agreement shall have the defined meanings when used in any certificate or other document made or delivered pursuant thereto unless otherwise defined therein. The definitions contained in this Agreement are applicable to the singular as well as the plural forms of such terms and to the masculine as well as to the feminine and neuter genders of such term. Any agreement, instrument or statute defined or referred to herein or in any agreement or instrument that is referred to herein means such agreement, instrument or statute as from time to time amended, modified or supplemented in accordance with the terms hereof, including (in the case of agreements or instruments) by waiver or consent and (in the case of statutes) by succession of comparable successor statutes and references to all attachments thereto and instruments incorporated therein. References to a person are also to its permitted successors and assigns. Each of the parties has participated in the drafting and negotiation of this Agreement. If an ambiguity or question of intent or interpretation arises, this Agreement must be construed as if drafted by all the parties and no presumption or burden of proof shall arise favoring or disfavoring any party by virtue of authorship of any of the provisions of this Agreement.

**Section 7.9 Governing Law.** THIS AGREEMENT SHALL BE DEEMED TO BE MADE IN AND IN ALL RESPECTS SHALL BE INTERPRETED, CONSTRUED AND GOVERNED BY AND IN ACCORDANCE WITH THE LAW OF THE STATE OF NEW YORK WITHOUT REGARD TO THE CONFLICTS OF LAW PRINCIPLES THEREOF.

**Section 7.10 Specific Performance.** The parties acknowledge that any breach of this Agreement would give rise to irreparable harm for which monetary damages would not be an adequate remedy and that, in addition to other rights or remedies, the parties shall be entitled to seek enforcement of any provision of this Agreement by a decree of specific performance and to temporary, preliminary and permanent injunctive relief to prevent breaches or threatened breaches of any of the provisions of this Agreement, without the necessity of proving the inadequacy of monetary damages as a remedy.

**Section 7.11 Submission to Jurisdiction.** The parties hereby irrevocably submit to the exclusive jurisdiction of the United States District Court for the Southern District of New York located in the borough of Manhattan in the City of New York, or if such court does not have jurisdiction, the Supreme Court of the State of New York, New York County, for the purposes of any suit, action or other proceeding arising out of this Agreement or any transaction contemplated hereby. Each of the parties hereto further agrees that service of any process, summons, notice or document by registered mail to such party’s respective address set forth in Section 7.3 (or to such other address for notices as provided by such party pursuant to Section 7.3) or in any other manner permitted by law shall be effective service of process for any action, suit or proceeding in New York with respect to any matters to which it has submitted to jurisdiction as set forth above in the immediately preceding sentence. Each of the parties hereto irrevocably and unconditionally waives any objection to the laying of venue of any action, suit or proceeding arising out of this Agreement or the transactions contemplated hereby in (i) the United States District Court for the Southern District of New York or (ii) the Supreme Court of the State of New York, New York County, and hereby further irrevocably and unconditionally waives and agrees not to please or claim in any such court that any such action, suit or proceeding brought in any such court has been brought in an inconvenient forum.

**Section 7.12 Waiver of Jury Trial.** EACH PARTY ACKNOWLEDGES AND AGREES THAT ANY CONTROVERSY WHICH MAY ARISE UNDER THIS AGREEMENT IS LIKELY TO INVOLVE COMPLICATED AND DIFFICULT ISSUES, AND THEREFORE EACH SUCH PARTY HEREBY IRREVOCABLY AND UNCONDITIONALLY WAIVES ANY RIGHT SUCH PARTY MAY HAVE TO A TRIAL BY JURY IN RESPECT OF ANY LITIGATION DIRECTLY OR INDIRECTLY ARISING OUT OF OR RELATING TO THIS AGREEMENT OR THE TRANSACTIONS CONTEMPLATED BY THIS AGREEMENT. EACH PARTY CERTIFIES AND ACKNOWLEDGES THAT (I) NO REPRESENTATIVE, AGENT OR ATTORNEY OF ANY OTHER PARTY HAS REPRESENTED, EXPRESSLY OR OTHERWISE, THAT SUCH OTHER PARTY WOULD NOT, IN THE EVENT OF LITIGATION, SEEK TO ENFORCE THE FOREGOING WAIVER, (II) EACH PARTY UNDERSTANDS AND HAS CONSIDERED THE IMPLICATIONS OF THIS WAIVER, (III) EACH PARTY MAKES THIS WAIVER VOLUNTARILY, AND (IV) EACH PARTY HAS BEEN INDUCED TO ENTER INTO THIS AGREEMENT BY, AMONG OTHER THINGS, THE MUTUAL WAIVERS AND CERTIFICATIONS IN THIS SECTION 7.12.

**Section 7.13 Counterparts.** This Agreement may be executed in two or more counterparts (including by facsimile or electronic submission via .pdf file), each of which shall be an original, with the same effect as if the signatures thereto and hereto were upon the same instrument, and shall become effective when one or more counterparts have been signed by each of the parties and delivered (including by facsimile or electronic submission via .pdf file) to the other parties.

*[Signature Pages Follow]*



IN WITNESS WHEREOF, the undersigned have caused this Agreement to be duly executed as of the day and year first above written.

**CORBUS PHARMACEUTICALS  
HOLDINGS, INC.**

By: \_\_\_\_\_

Name:

Title:

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*[Signatures Continue on the Next Page]*

**Voting Agreement**

By: \_\_\_\_\_  
Name:

Address: \_\_\_\_\_  
\_\_\_\_\_

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## CORBUS PHARMACEUTICALS HOLDINGS, INC.

## 2014 EQUITY COMPENSATION PLAN

**1. Establishment and Purpose**

1.1 The purpose of the Corbus Pharmaceuticals Holdings, Inc. 2014 Equity Compensation Plan (the "Plan") is to provide a means whereby eligible employees, officers, non-employee directors and other individual service providers develop a sense of proprietorship and personal involvement in the development and financial success of the Company and to encourage them to devote their best efforts to the business of the Company, thereby advancing the interests of the Company and its stockholders. The Company, by means of the Plan, seeks to retain the services of such eligible persons and to provide incentives for such persons to exert maximum efforts for the success of the Company and its Subsidiaries.

1.2 The Plan permits the grant of Nonqualified Stock Options, Incentive Stock Options, Stock Appreciation Rights, Restricted Stock, Stock Units, Performance Shares, Performance Units, Incentive Bonus Awards, Other Cash-Based Awards and Other Stock-Based Awards. This Plan shall become effective upon the date set forth in Section 18.1 hereof.

**2. Definitions**

Wherever the following capitalized terms are used in the Plan, they shall have the meanings specified below:

2.1 "Affiliate" means, with respect to a Person, a Person that directly or indirectly Controls, or is Controlled by, or is under common Control with, such Person.

2.2 "Applicable Law" means the requirements relating to the administration of equity-based awards or equity compensation plans under U.S. state corporate laws, U.S. federal and state securities laws, the Code, any stock exchange or quotation system on which the Common Stock is listed or quoted and the applicable laws of any foreign country or jurisdiction where Awards are, or will be, granted under the Plan.

2.3 "Award" means an award of a Stock Option, Stock Appreciation Right, Restricted Stock, Stock Unit, Performance Share, Performance Unit, Incentive Bonus Award, Other Cash-Based Award and/or Other Stock-Based Award granted under the Plan.

2.4 "Award Agreement" means either (i) a written or electronic agreement entered into between the Company and a Participant setting forth the terms and conditions of an Award including any amendment or modification thereof, or (ii) a written or electronic statement issued by the Company to a Participant describing the terms and provisions of such Award, including any amendment or modification thereof. The Committee may provide for the use of electronic, internet or other non-paper Award Agreements, and the use of electronic, internet or other non-paper means for the acceptance thereof and actions thereunder by a Participant. Each Award Agreement shall be subject to the terms and conditions of the Plan and need not be identical.

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2.5 “Board” means the Board of Directors of the Company.

2.6 “Cause” means (i) conviction of, or the entry of a plea of guilty or no contest to, a felony or any other crime that causes the Company or its Affiliates public disgrace or disrepute, or materially and adversely affects the Company’s or its Affiliates’ operations or financial performance or the relationship the Company has with its customers, (ii) gross negligence or willful misconduct with respect to the Company or any of its Affiliates, including, without limitation fraud, embezzlement, theft or proven dishonesty in the course of his or her employment; (iii) refusal to perform any lawful, material obligation or fulfill any duty (other than any duty or obligation of the type described in clause (v) below) to the Company or its Affiliates (other than due to a Disability), which refusal, if curable, is not cured within 10 days after delivery of written notice thereof; (iv) material breach of any agreement with or duty owed to the Company or any of its Affiliates, which breach, if curable, is not cured within 10 days after the delivery of written notice thereof; or (v) any breach of any obligation or duty to the Company or any of its Affiliates (whether arising by statute, common law or agreement) relating to confidentiality, noncompetition, nonsolicitation or proprietary rights. Notwithstanding the foregoing, if a Participant and the Company (or any of its Affiliates) have entered into an employment agreement, consulting agreement or other similar agreement that specifically defines “cause,” then with respect to such Participant, “Cause” shall have the meaning defined in that employment agreement, consulting agreement or other agreement.

2.7 “Change in Control” means, unless otherwise provided in an Award Agreement, the occurrence of any one of the following events:

(i) any “person,” including a “group” (as such terms are used in Sections 13(d) and 14(d) of the Exchange Act, but excluding the Company, any entity controlling, controlled by or under common control with the Company, any trustee, fiduciary or other person or entity holding securities under any employee benefit plan or trust of the Company or any such entity, and, with respect to any particular Participant, the Participant and any “group” (as such term is used in Section 13(d)(3) of the Exchange Act) of which the Participant is a member), is or becomes the “beneficial owner” (as defined in Rule 13(d)(3) under the Exchange Act), directly or indirectly, of securities of the Company representing 50% or more of either (A) the combined voting power of the Company’s then outstanding securities or (B) the then outstanding shares of Common Stock (in either such case other than as a result of an acquisition of securities directly from the Company); or

(ii) any consolidation or merger of the Company where the stockholders of the Company, immediately prior to the consolidation or merger, would not, immediately after the consolidation or merger, beneficially own (as such term is defined in Rule 13d-3 under the Exchange Act), directly or indirectly, shares representing in the aggregate 50% or more of the combined voting power of the securities of the corporation issuing cash or securities in the consolidation or merger (or of its ultimate parent corporation, if any); or

(iii) there shall occur (A) any sale, lease, exchange or other transfer (in one transaction or a series of transactions contemplated or arranged by any party as a single plan) of all or substantially all of the assets of the Company, other than a sale or disposition by the Company of all or substantially all of the Company's assets to an entity, at least 50% of the combined voting power of the voting securities of which are owned by "persons" (as defined above) in substantially the same proportion as their ownership of the Company immediately prior to such sale or (B) the approval by stockholders of the Company of any plan or proposal for the liquidation or dissolution of the Company; or

(iv) the members of the Board at the beginning of any consecutive 24-calendar-month period (the "Incumbent Directors") cease for any reason other than due to death to constitute at least a majority of the members of the Board; provided that any Director whose election, or nomination for election by the Company's stockholders, was approved or ratified by a vote of at least a majority of the members of the Board then still in office who were members of the Board at the beginning of such 24-calendar-month period, shall be deemed to be an Incumbent Director.

Notwithstanding the foregoing, no event or condition shall constitute a Change in Control to the extent that, if it were, a 20% tax would be imposed under Section 409A of the Code; provided that, in such a case, the event or condition shall continue to constitute a Change in Control to the maximum extent possible (e.g., if applicable, in respect of vesting without an acceleration of distribution) without causing the imposition of such 20% tax.

2.8 "Code" means the Internal Revenue Code of 1986, as amended. For purposes of this Plan, references to sections of the Code shall be deemed to include references to any applicable regulations thereunder and any successor or similar provision.

2.9 "Committee" means the committee of the Board delegated with the authority to administer the Plan, or the full Board, as provided in Section 3 of the Plan. With respect to any decision involving an Award intended to satisfy the requirements of Section 162(m) of the Code, the Committee shall consist of two or more directors of the Company who are "outside directors" within the meaning of Section 162(m) of the Code. With respect to any decision relating to a Reporting Person, the Committee shall consist solely of two or more directors who are disinterested within the meaning of Rule 16b-3 promulgated under the Exchange Act, as amended from time to time, or any successor provision. The fact that a Committee member shall fail to qualify under any of these requirements shall not invalidate an Award if the Award is otherwise validly made under the Plan. The Board may at any time appoint additional members to the Committee, remove and replace members of the Committee with or without cause, and fill vacancies on the Committee however caused.

2.10 "Common Stock" means the Company's Common Stock, par value \$.0001 per share.

2.11 "Company" means Corbus Pharmaceuticals Holdings, Inc., a Delaware corporation, and any successor thereto as provided in Section 16.8.

2.12 “Control” means, as to any Person, the power to direct or cause the direction of the management and policies of such Person, or the power to appoint directors of the Company, whether through the ownership of voting securities, by contract or otherwise (the terms “Controlled by” and “under common Control with” shall have correlative meanings).

2.13 “Date of Grant” means the date on which an Award under the Plan is granted by the Committee, or such later date as the Committee may specify to be the effective date of an Award.

2.14 “Disability” means a Participant being considered “disabled” within the meaning of Section 409A of the Code and Treasury Regulation 1.409A-3(i)(4), as well as any successor regulation or interpretation.

2.15 “Effective Date” means the date set forth in Section 18.1 hereof.

2.16 “Eligible Person” means any person who is an employee, officer, director, consultant, advisor or other individual service provider of the Company or any Subsidiary, or any person who is determined by the Committee to be a prospective employee, officer, director, consultant, advisor or other individual service provider of the Company or any Subsidiary.

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

2.18 “Fair Market Value” of a share of Common Stock shall be, as applied to a specific date, (i) the closing price of a share of Common Stock as of such date on the principal established stock exchange or national market system on which the Common Stock is then traded (or, if there is no trading in the Common Stock as of such date, the closing price of a share of Common Stock on the most recent date preceding such date on which trades of the Common Stock were recorded), or (ii) if the shares of Common Stock are not then traded on an established stock exchange or national market system but are then traded in an over-the-counter market, the average of the closing bid and asked prices for the shares of Common Stock in such over-the-counter market as of such date (or, if there are no closing bid and asked prices for the shares of Common Stock as of such date, the average of the closing bid and the asked prices for the shares of Common Stock on the most recent date preceding such date on which such closing bid and asked prices are available on such over-the-counter market), or (iii) if the shares of Common Stock are not then listed on a national securities exchange or national market system or traded in an over-the-counter market, the price of a share of Common Stock as determined by the Committee in its discretion in a manner consistent with Section 409A of the Code and Treasury Regulation 1.409A-1(b)(5)(iv), as well as any successor regulation or interpretation. Notwithstanding the preceding sentence, if the date for which Fair Market Value is determined is the date on which the final prospectus relating to the Company’s Initial Public Offering is filed, the Fair Market Value shall be the “Price to the Public” (or equivalent) set forth on the cover page for the final prospectus relating to the Company’s Initial Public Offering.

2.19 “Fully Diluted” means, as applied to a specific date, the total number of shares of Common Stock outstanding as of such date, including preferred stock on an as-converted to common basis, plus the number of shares of Common Stock issuable upon the exercise of outstanding warrants, stock options and other awards exercisable for (or convertible into) Common Stock under an equity compensation plan of the Company.

2.20 “Incentive Bonus Award” means an Award granted under Section 12 of the Plan.

2.21 “Incentive Stock Option” means a Stock Option granted under Section 6 hereof that is intended to meet the requirements of Section 422 of the Code and the regulations promulgated thereunder.

2.22 “Initial Public Offering” means the consummation of the first underwritten, firm commitment public offering pursuant to an effective registration statement under the Securities Act covering the offer and sale by the Company of its equity securities, or such other event as a result of or following which the Common Stock shall be publicly held.

2.23 “Nonqualified Stock Option” means a Stock Option granted under Section 6 hereof that is not an Incentive Stock Option.

2.24 “Other Cash-Based Award” means a contractual right granted to an Eligible Person under Section 13 hereof entitling such Eligible Person to receive a cash payment at such times, and subject to such conditions, as are set forth in the Plan and the applicable Award Agreement.

2.25 “Other Stock-Based Award” means a contractual right granted to an Eligible Person under Section 13 representing a notional unit interest equal in value to a share of Common Stock to be paid and distributed at such times, and subject to such conditions as are set forth in the Plan and the applicable Award Agreement.

2.26 “Participant” means any Eligible Person who holds an outstanding Award under the Plan.

2.27 “Person” shall mean any individual, partnership, firm, trust, corporation, limited liability company or other similar entity. When two or more Persons act as a partnership, limited partnership, syndicate or other group for the purpose of acquiring, holding or disposing of Common Stock, such partnership, limited partnership, syndicate or group shall be deemed a “Person”

2.28 “Performance Measures” mean the measures of performance of the Company and its Subsidiaries as more fully described in Section 14 of the Plan and Exhibit A hereto.

2.29 “Performance Shares” means a contractual right granted to an Eligible Person under Section 10 hereof representing a notional unit interest equal in value to a share of Common Stock to be paid and distributed at such times, and subject to such conditions, as are set forth in the Plan and the applicable Award Agreement.

2.30 “Performance Unit” means a contractual right granted to an Eligible Person under Section 11 hereof representing a notional dollar interest as determined by the Committee to be paid and distributed at such times, and subject to such conditions, as are set forth in the Plan and the applicable Award Agreement.

2.31 “Plan” means this Corbus Pharmaceuticals, Inc. 2014 Equity Compensation Plan, as it may be amended from time to time.

2.32 “Private Placement” means the private placement of units consisting of shares of Common Stock and warrants to purchase Common Stock pursuant to the Private Placement Memorandum of Corbus Pharmaceuticals Holdings, Inc. dated March 27, 2014.

2.33 “Reporting Person” means an officer, director or greater than ten percent stockholder of the Company within the meaning of Rule 16a-2 under the Exchange Act, who is required to file reports pursuant to Rule 16a-3 under the Exchange Act.

2.34 “Restricted Stock Award” means a grant of shares of Common Stock to an Eligible Person under Section 8 hereof that are issued subject to such vesting and transfer restrictions and such other conditions as are set forth in the Plan and the applicable Award Agreement.

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

2.36 “Service” means a Participant’s employment or other service relationship with the Company or any Subsidiary.

2.37 “Stock Appreciation Right” means a contractual right granted to an Eligible Person under Section 7 hereof entitling such Eligible Person to receive a payment, upon the exercise of such right, in such amount and at such time, and subject to such conditions, as are set forth in the Plan and the applicable Award Agreement.

2.38 “Stock Option” means a contractual right granted to an Eligible Person under Section 6 hereof to purchase shares of Common Stock at such time and price, and subject to such conditions, as are set forth in the Plan and the applicable Award Agreement.

2.39 “Stock Unit Award” means a contractual right granted to an Eligible Person under Section 9 hereof representing notional unit interests equal in value to a share of Common Stock to be paid and distributed at such times, and subject to such conditions, as are set forth in the Plan and the applicable Award Agreement.

2.40 “Subsidiary” means an entity (whether or not a corporation) that is wholly or majority owned or controlled, directly or indirectly, by the Company; provided, however, that with respect to Incentive Stock Options, the term “Subsidiary” shall include only an entity that qualifies under section 424(f) of the Code as a “subsidiary corporation” with respect to the Company.

### **3. Administration**

3.1 Committee Members. The Plan shall be administered by the Committee; provided that the entire Board may act in lieu of the Committee on any matter, subject to Code Section 162(m) and 16b-3 Award requirements referred to in Section 2.9 of the Plan. If and to the extent permitted by Applicable Law, the Committee may authorize one or more Reporting Persons (or other officers) to make Awards to Eligible Persons who are not Reporting Persons (or other officers whom the Committee has specifically authorized to make Awards). Subject to Applicable Law and the restrictions set forth in the Plan, the Committee may delegate administrative functions to individuals who are Reporting Persons, officers, or employees of the Company or its Subsidiaries.



3.2 Committee Authority. The Committee shall have such powers and authority as may be necessary or appropriate for the Committee to carry out its functions as described in the Plan. Subject to the express limitations of the Plan, the Committee shall have authority in its discretion to determine the Eligible Persons to whom, and the time or times at which, Awards may be granted, the number of shares, units or other rights subject to each Award, the exercise, base or purchase price of an Award (if any), the time or times at which an Award will become vested, exercisable or payable, the performance criteria, performance goals and other conditions of an Award, the duration of the Award, and all other terms of the Award. Subject to the terms of the Plan, the Committee shall have the authority to amend the terms of an Award in any manner that is not inconsistent with the Plan (including to extend the post-termination exercisability period of Stock Options and Stock Appreciation Rights), provided that no such action shall adversely affect the rights of a Participant with respect to an outstanding Award without the Participant's consent. The Committee shall also have discretionary authority to interpret the Plan, to make all factual determinations under the Plan, and to make all other determinations necessary or advisable for Plan administration, including, without limitation, to correct any defect, to supply any omission or to reconcile any inconsistency in the Plan or any Award Agreement hereunder. The Committee may prescribe, amend, and rescind rules and regulations relating to the Plan. The Committee's determinations under the Plan need not be uniform and may be made by the Committee selectively among Participants and Eligible Persons, whether or not such persons are similarly situated. The Committee shall, in its discretion, consider such factors as it deems relevant in making its interpretations, determinations and actions under the Plan including, without limitation, the recommendations or advice of any officer or employee of the Company or such attorneys, consultants, accountants or other advisors as it may select. All interpretations, determinations, and actions by the Committee shall be final, conclusive, and binding upon all parties.

3.3 No Liability; Indemnification. Neither the Board nor any Committee member, nor any Person acting at the direction of the Board or the Committee, shall be liable for any act, omission, interpretation, construction or determination made in good faith with respect to the Plan, any Award or any Award Agreement. The Company and its Subsidiaries shall pay or reimburse any member of the Committee, as well as any other Person who takes action on behalf of the Plan, for all reasonable expenses incurred with respect to the Plan, and to the full extent allowable under Applicable Law shall indemnify each and every one of them for any claims, liabilities, and costs (including reasonable attorney's fees) arising out of their good faith performance of duties on behalf of the Company with respect to the Plan. The Company and its Subsidiaries may, but shall not be required to, obtain liability insurance for this purpose.

#### **4. Shares Subject to the Plans**

##### **4.1 Share Limitation.**

(a) Subject to adjustment pursuant to Section 4.2 hereof, the maximum aggregate number of shares of Common Stock which may be issued under all Awards granted to Participants under the Plan initially shall be 4,000,000 shares, which number shall increase to 15% of the total number of shares of the Company outstanding, on a Fully Diluted basis, immediately following the final closing of the Private Placement (at such time as the Board determines that the final closing has occurred), up to a maximum of 7,905,334 shares. All of the shares available pursuant to this Section 4.1(a) may, but need not, be issued in respect of Incentive Stock Options.

(b) The number of shares of Common Stock available for issuance under the Plan shall automatically increase on January 1st of each year for a period of ten years commencing on January 1, 2015 and ending on (and including) January 1, 2024, in an amount equal to the greater of (i) seven percent (7%) of the total number of shares of Common Stock outstanding on December 31st of the preceding calendar year, or (ii) the difference between (x) twenty percent (20%) of the total number of shares of Common Stock outstanding on December 31st of the preceding calendar year, and (y) the total number of shares of Common Stock reserved under the Plan on December 31st of such preceding calendar year (including shares subject to outstanding Awards, issued pursuant to Awards or available for future Awards). Notwithstanding the foregoing, the Board may act prior to the first day of any calendar year, to provide that there shall be no increase in the share reserve for such calendar year or that the increase in the share reserve for such calendar year shall be a lesser number of shares of Common Stock than would otherwise occur pursuant to the preceding sentence. None of the shares of Common Stock available for issuance pursuant to this Section 4.1(b) shall be issued in respect of Incentive Stock Options.

(c) Shares of Common Stock issued under the Plan may be either authorized but unissued shares or shares held in the Company's treasury. Any shares of Common Stock subject to Awards that are settled in Common Stock shall be counted against the maximum share limitations of this Section 4.1 as one share of Common Stock for every share of Common Stock subject thereto, regardless of the number of shares of Common Stock actually issued to settle the Stock Option or Stock Appreciation Right upon exercise. To the extent that any Award under the Plan payable in shares of Common Stock is forfeited, cancelled, returned to the Company for failure to satisfy vesting requirements or upon the occurrence of other forfeiture events, or otherwise terminates without payment being made thereunder, the shares of Common Stock covered thereby will no longer be counted against the foregoing maximum share limitations and may again be made subject to Awards under the Plan pursuant to such limitations. Shares of Common Stock that otherwise would have been issued upon the exercise of a Stock Option or in payment with respect to any other form of Award, that are surrendered in payment or partial payment of taxes required to be withheld with respect to the exercise of such Stock Option or the making of such payment, will no longer be counted against the foregoing maximum share limitations and may again be made subject to Awards under the Plan pursuant to such limitations.

4.2 Adjustments. If there shall occur any change with respect to the outstanding shares of Common Stock by reason of any recapitalization, reclassification, stock dividend, extraordinary dividend, stock split, reverse stock split, or other distribution with respect to the shares of Common Stock, or any merger, reorganization, consolidation, combination, spin-off or other similar corporate change, or any other change affecting the Common Stock, the Committee shall, in the manner and to the extent that it deems appropriate and equitable to the Participants and consistent with the terms of the Plan, cause an adjustment to be made in (i) the maximum numbers and kind of shares provided in Section 4.1 hereof, (ii) the numbers and kind of shares of Common Stock, units, or other rights subject to then outstanding Awards, (iii) the price for each share or unit or other right subject to then outstanding Awards, (iv) the performance measures or goals relating to the vesting of an Award and (v) any other terms of an Award that are affected by the event to prevent dilution or enlargement of a Participant's rights under an Award. Notwithstanding the foregoing, in the case of Incentive Stock Options, any such adjustments shall, to the extent practicable, be made in a manner consistent with the requirements of Section 424(a) of the Code.

## 5. Participation and Awards

5.1 Designation of Participants. All Eligible Persons are eligible to be designated by the Committee to receive Awards and become Participants under the Plan. The Committee has the authority, in its discretion, to determine and designate from time to time those Eligible Persons who are to be granted Awards, the types of Awards to be granted and the number of shares of Common Stock or units subject to Awards granted under the Plan. In selecting Eligible Persons to be Participants and in determining the type and amount of Awards to be granted under the Plan, the Committee shall consider any and all factors that it deems relevant or appropriate.

5.2 Determination of Awards. The Committee shall determine the terms and conditions of all Awards granted to Participants in accordance with its authority under Section 3.2 hereof. An Award may consist of one type of right or benefit hereunder or of two or more such rights or benefits granted in tandem or in the alternative. To the extent deemed appropriate by the Committee, an Award shall be evidenced by an Award Agreement as described in Section 16.1 hereof.

## 6. Stock Options

6.1 Grant of Stock Option. A Stock Option may be granted to any Eligible Person selected by the Committee. Subject to the provisions of Section 6.6 hereof and Section 422 of the Code, each Stock Option shall be designated, in the discretion of the Committee, as an Incentive Stock Option or as a Nonqualified Stock Option.

6.2 Exercise Price. The exercise price per share of a Stock Option shall not be less than 100% of the Fair Market Value of a share of Common Stock on the Date of Grant, subject to adjustments as provided for under Section 4.2, provided that the Committee may in its discretion specify for any Stock Option an exercise price per share that is higher than the Fair Market Value on the Date of Grant.

6.3 Vesting of Stock Options. The Committee shall in its discretion prescribe the time or times at which, or the conditions upon which, a Stock Option or portion thereof shall become vested and/or exercisable. The requirements for vesting and exercisability of a Stock Option may be based on the continued Service of the Participant with the Company or a Subsidiary for a specified time period (or periods) and/or on the attainment of a specified performance goal (or goals) established by the Committee in its discretion. The Committee may, in its discretion, accelerate the vesting or exercisability of any Stock Option at any time. The Committee in its sole discretion may allow a Participant to exercise unvested Nonqualified Stock Options, in which case the shares of Common Stock then issued shall be Restricted Stock having analogous vesting restrictions to the unvested Nonqualified Stock Options.

6.4 Term of Stock Options. The Committee shall in its discretion prescribe in an Award Agreement the period during which a vested Stock Option may be exercised, provided that the maximum term of a Stock Option shall be ten (10) years from the Date of Grant. A Stock Option may be earlier terminated as specified by the Committee and set forth in an Award Agreement upon or following the termination of a Participant's Service with the Company or any Subsidiary, including by reason of voluntary resignation, death, Disability, termination for Cause or any other reason. Except as otherwise provided in this Section 6 or in an Award Agreement as such agreement may be amended from time to time upon authorization of the Committee, no Stock Option may be exercised at any time during the term thereof unless the Participant is then in the Service of the Company or one of its Subsidiaries. Notwithstanding the foregoing, unless an Award Agreement provides otherwise:

(a) If a Participant who holds a Stock Option incurs a termination of Service with the Company (including, if applicable, any of its Subsidiaries) by reason of his or her death, such Stock Option may, to the extent then exercisable, be exercised by such Participant's estate or any person who acquires the right to exercise such Stock Option by bequest or inheritance at any time in accordance with its terms for up to one year after the date of such Participant's death (but in no event after the earlier of the expiration of the term of such Stock Option or such time as the Stock Option is otherwise canceled or terminated in accordance with its terms). Upon expiration of such one-year period, no portion of the Stock Option held by such Participant shall be exercisable and the Stock Option shall be deemed to be canceled, forfeited and of no further force or effect.

(b) If a Participant who holds a Stock Option incurs a termination of Service with the Company (including, if applicable, any of its Subsidiaries) by reason of his or her Disability, such Stock Option may, to the extent then exercisable, be exercised by the Participant or his or her personal representative at any time in accordance with its terms for up to one year after the date of such Participant's termination of Service (but in no event after the earlier of the expiration of the term of such Stock Option or such time as the Stock Option is otherwise canceled or terminated in accordance with its terms). Upon expiration of such one-year period, no portion of the Stock Option held by such Participant shall be exercisable and the Stock Option shall be deemed to be canceled, forfeited and of no further force or effect.

(c) If a Participant who holds a Stock Option incurs a termination of Service with the Company (including, if applicable, any of its Subsidiaries) for any reason other than death, Disability or Cause, such Stock Option may, to the extent then exercisable, be exercised up until ninety (90) days following such termination of Service (but in no event after the earlier of the expiration of the term of such Stock Option or such time as the Stock Option is otherwise canceled or terminated in accordance with its terms). Upon expiration of such 90-day period, no portion of the Stock Option held by such Participant shall be exercisable and the Stock Option shall be deemed to be canceled, forfeited and of no further force or effect.

6.5 Stock Option Exercise. Subject to such terms and conditions as shall be specified in an Award Agreement, a Stock Option may be exercised in whole or in part at any time during the term thereof by notice in the form required by the Company, and payment of the aggregate exercise price by certified or bank check, or such other means as the Committee may accept. As set forth in an Award Agreement or otherwise determined by the Committee, in its sole discretion, at or after grant, payment in full or in part of the exercise price of an Option may be made: (i) in the form of shares of Common Stock that have been held by the Participant for such period as the Committee may deem appropriate for accounting purposes or otherwise, valued at the Fair Market Value of such shares on the date of exercise; (ii) by surrendering to the Company shares of Common Stock otherwise receivable on exercise of the Option; (iii) by a cashless exercise program implemented by the Committee in connection with the Plan; and/or (iv) by such other method as may be approved by the Committee and set forth in an Award Agreement. Subject to any governing rules or regulations, as soon as practicable after receipt of written notification of exercise and full payment of the exercise price and satisfaction of any applicable tax withholding pursuant to Section 17.5, the Company shall deliver to the Participant evidence of book entry shares of Common Stock, or upon the Participant's request, Common Stock certificates in an appropriate amount based upon the number of shares of Common Stock purchased under the Option. Unless otherwise determined by the Committee, all payments under all of the methods indicated above shall be paid in United States dollars or shares of Common Stock, as applicable.

6.6 Additional Rules for Incentive Stock Options.

(a) Eligibility. An Incentive Stock Option may only be granted to an Eligible Person who is considered an employee under Treasury Regulation §1.421-7(h) of the Company or any Subsidiary.

(b) Annual Limits. No Incentive Stock Option shall be granted to an Eligible Person as a result of which the aggregate Fair Market Value (determined as of the Date of Grant) of the stock with respect to which Incentive Stock Options are exercisable for the first time in any calendar year under the Plan and any other stock option plans of the Company or any Subsidiary would exceed \$100,000, determined in accordance with Section 422(d) of the Code. This limitation shall be applied by taking Incentive Stock Options into account in the order in which granted.

(c) Ten Percent Stockholders. If a Stock Option granted under the Plan is intended to be an Incentive Stock Option, and if the Participant, at the time of grant, owns stock possessing ten percent or more of the total combined voting power of all classes of Common Stock of the Company or any Subsidiary, then (A) the Stock Option exercise price per share shall in no event be less than 110% of the Fair Market Value of the Common Stock on the date of such grant and (B) such Stock Option shall not be exercisable after the expiration of five (5) years following the date such Stock Option is granted.

(d) Termination of Employment. An Award of an Incentive Stock Option shall provide that such Stock Option may be exercised not later than three (3) months following termination of employment of the Participant with the Company and all Subsidiaries, or not later than one (1) year following death or a permanent and total disability within the meaning of Section 22(e)(3) of the Code, as and to the extent determined by the Committee to be necessary to comply with the requirements of Section 422 of the Code.

(e) Disqualifying Dispositions. If shares of Common Stock acquired by exercise of an Incentive Stock Option are disposed of within two (2) years following the Date of Grant or one (1) year following the transfer of such shares to the Participant upon exercise, the Participant shall, promptly following such disposition, notify the Company in writing of the date and terms of such disposition and provide such other information regarding the disposition as the Company may reasonably require.

## **7. Stock Appreciation Rights**

7.1 Grant of Stock Appreciation Rights. A Stock Appreciation Right may be granted to any Eligible Person selected by the Committee. Stock Appreciation Rights may be granted on a basis that allows for the exercise of the right by the Participant or that provides for the automatic payment of the right upon a specified date or event.

7.2 Base Price. The base price of a Stock Appreciation Right shall be determined by the Committee in its sole discretion; provided, however, that the base price for any grant of a Stock Appreciation Right shall not be less than 100% of the Fair Market Value of a share of Common Stock on the Date of Grant, subject to adjustments as provided for under Section 4.2.

7.3 Vesting Stock Appreciation Rights. The Committee shall in its discretion prescribe the time or times at which, or the conditions upon which, a Stock Appreciation Right or portion thereof shall become vested and/or exercisable. The requirements for vesting and exercisability of a Stock Appreciation Right may be based on the continued Service of a Participant with the Company or a Subsidiary for a specified time period (or periods) or on the attainment of a specified performance goal (or goals) established by the Committee in its discretion. The Committee may, in its discretion, accelerate the vesting or exercisability of any Stock Appreciation Right at any time.

7.4 Term of Stock Appreciation Rights. The Committee shall in its discretion prescribe in an Award Agreement the period during which a vested Stock Appreciation Right may be exercised, provided that the maximum term of a Stock Appreciation Right shall be ten (10) years from the Date of Grant. A Stock Appreciation Right may be earlier terminated as specified by the Committee and set forth in an Award Agreement upon or following the termination of a Participant's Service with the Company or any Subsidiary, including by reason of voluntary resignation, death, Disability, termination for Cause or any other reason. Except as otherwise provided in this Section 7 or in an Award Agreement as such agreement may be amended from time to time upon authorization of the Committee, no Stock Appreciation Right may be exercised at any time during the term thereof unless the Participant is then in the Service of the Company or one of its Subsidiaries.

7.5 Payment of Stock Appreciation Rights. Subject to such terms and conditions as shall be specified in an Award Agreement, a vested Stock Appreciation Right may be exercised in whole or in part at any time during the term thereof by notice in the form required by the Company and payment of any exercise price. Upon the exercise of a Stock Appreciation Right and payment of any applicable exercise price, a Participant shall be entitled to receive an amount determined by multiplying: (i) the excess of the Fair Market Value of a share of Common Stock on the date of exercise of the Stock Appreciation Right over the base price of such Stock Appreciation Right, by (ii) the number of shares as to which such Stock Appreciation Right is exercised. Payment of the amount determined under the immediately preceding sentence may be made, as approved by the Committee and set forth in the Award Agreement, in shares of Common Stock valued at their Fair Market Value on the date of exercise, in cash, or in a combination of shares of Common Stock and cash, subject to applicable tax withholding requirements set forth in Section 17.5. If Stock Appreciation Rights are settled in shares of Common Stock, then as soon as practicable following the date of settlement the Company shall deliver to the Participant evidence of book entry shares of Common Stock, or upon the Participant's request, Common Stock certificates in an appropriate amount.

## **8. Restricted Stock Awards**

8.1 Grant of Restricted Stock Awards. A Restricted Stock Award may be granted to any Eligible Person selected by the Committee. The Committee may require the payment by the Participant of a specified purchase price in connection with any Restricted Stock Award. The Committee may provide in an Award Agreement for the payment of dividends and distributions to the Participant at such times as paid to stockholders generally or at the times of vesting or other payment of the Restricted Stock Award. If any dividends or distributions are paid in stock while a Restricted Stock Award is subject to restrictions under Section 8.3 of the Plan or Code Section 162(m), the dividends or other distributions shares shall be subject to the same restrictions on transferability as the shares of Common Stock to which they were paid unless otherwise set forth in the Award Agreement. The Committee may also subject the grant of any Restricted Stock Award to the execution of a voting agreement with the Company or with any Affiliate of the Company.

8.2 Vesting Requirements. The restrictions imposed on shares of Common Stock granted under a Restricted Stock Award shall lapse in accordance with the vesting requirements specified by the Committee in the Award Agreement. Upon vesting of a Restricted Stock Award, such Award shall be subject to the tax withholding requirement set forth in Section 17.5. The requirements for vesting of a Restricted Stock Award may be based on the continued Service of the Participant with the Company or its Subsidiaries for a specified time period (or periods) or on the attainment of a specified performance goal (or goals) established by the Committee in its discretion. The Committee may, in its discretion, accelerate the vesting of a Restricted Stock Award at any time. If the vesting requirements of a Restricted Stock Award shall not be satisfied, the Award shall be forfeited and the shares of Common Stock subject to the Award shall be returned to the Company. In the event that the Participant paid any purchase price with respect to such forfeited shares, unless otherwise provided by the Committee in an Award Agreement, the Company will refund to the Participant the lesser of (i) such purchase price and (ii) the Fair Market Value of such shares on the date of forfeiture.

8.3 Restrictions. Shares granted under any Restricted Stock Award may not be transferred, assigned or subject to any encumbrance, pledge, or charge until all applicable restrictions are removed or have expired, unless otherwise allowed by the Committee. The Committee may require in an Award Agreement that certificates representing the shares granted under a Restricted Stock Award bear a legend making appropriate reference to the restrictions imposed, and that certificates representing the shares granted or sold under a Restricted Stock Award will remain in the physical custody of an escrow holder until all restrictions are removed or have expired.

8.4 Rights as Stockholder. Subject to the foregoing provisions of this Section 8 and the applicable Award Agreement, the Participant to whom a Restricted Stock Award is made shall have all rights of a stockholder with respect to the shares granted to the Participant under the Restricted Stock Award, including the right to vote the shares and receive all dividends and other distributions paid or made with respect thereto, unless the Committee determines otherwise at the time the Restricted Stock Award is granted.

8.5 Section 83(b) Election. If a Participant makes an election pursuant to Section 83(b) of the Code with respect to a Restricted Stock Award, the Participant shall file, within 30 days following the Date of Grant, a copy of such election with the Company (directed to the Secretary thereof) and with the Internal Revenue Service, in accordance with the regulations under Section 83 of the Code. The Committee may provide in an Award Agreement that the Restricted Stock Award is conditioned upon the Participant's making or refraining from making an election with respect to the Award under Section 83(b) of the Code.

## **9. Stock Unit Awards**

9.1 Grant of Stock Unit Awards. A Stock Unit Award may be granted to any Eligible Person selected by the Committee. The value of each stock unit under a Stock Unit Award is equal to the Fair Market Value of the Common Stock on the applicable date or time period of determination, as specified by the Committee. A Stock Unit Award shall be subject to such restrictions and conditions as the Committee shall determine. A Stock Unit Award may be granted together with a dividend equivalent right with respect to the shares of Common Stock subject to the Award, which may be accumulated and may be deemed reinvested in additional stock units, as determined by the Committee in its discretion. If any dividend equivalents are paid while a Stock Unit Award is subject to restrictions under Section 9 of the Plan or Code Section 162(m), the dividend equivalents shall be subject to the same restrictions on transferability as the Stock Units to which they were paid, unless otherwise set forth in the Award Agreement.

9.2 Vesting of Stock Unit Awards. On the Date of Grant, the Committee shall, in its discretion, determine any vesting requirements with respect to a Stock Unit Award, which shall be set forth in the Award Agreement. The requirements for vesting of a Stock Unit Award may be based on the continued Service of the Participant with the Company or its Subsidiaries for a specified time period (or periods) or on the attainment of a specified performance goal (or goals) established by the Committee in its discretion. The Committee may, in its discretion, accelerate the vesting of a Stock Unit Award at any time. A Stock Unit Award may also be granted on a fully vested basis, with a deferred payment date as may be determined by the Committee or elected by the Participant in accordance with rules established by the Committee.



9.3 Payment of Stock Unit Awards. A Stock Unit Award shall become payable to a Participant at the time or times determined by the Committee and set forth in the Award Agreement, which may be upon or following the vesting of the Award. Payment of a Stock Unit Award may be made, at the discretion of the Committee, in cash or in shares of Common Stock, or in a combination thereof as described in the Award Agreement, subject to applicable tax withholding requirements set forth in Section 17.5. Any cash payment of a Stock Unit Award shall be made based upon the Fair Market Value of the Common Stock, determined on such date or over such time period as determined by the Committee. Notwithstanding the foregoing, unless specified otherwise in the Award Agreement, any Stock Unit, whether settled in Common Stock or cash, shall be paid no later than two and one-half months after the later of the calendar year or fiscal year in which the Stock Units vest. If Stock Unit Awards are settled in shares of Common Stock, then as soon as practicable following the date of settlement, the Company shall deliver to the Participant evidence of book entry shares of Common Stock, or upon the Participant's request, Common Stock certificates in an appropriate amount.

## **10. Performance Shares**

10.1 Grant of Performance Shares. Performance Shares may be granted to any Eligible Person selected by the Committee. A Performance Share Award shall be subject to such restrictions and condition as the Committee shall specify. A Performance Share Award may be granted with a dividend equivalent right with respect to the shares of Common Stock subject to the Award, which may be accumulated and may be deemed reinvested in additional stock units, as determined by the Committee in its discretion.

10.2 Value of Performance Shares. Each Performance Share shall have an initial value equal to the Fair Market Value of a Share on the Date of Grant. The Committee shall set performance goals in its discretion that, depending on the extent to which they are met over a specified time period, shall determine the number of Performance Shares that shall be paid to a Participant.

10.3 Earning of Performance Shares. After the applicable time period has ended, the number of Performance Shares earned by the Participant over such time period shall be determined as a function of the extent to which the applicable corresponding performance goals have been achieved. This determination shall be made solely by the Committee. The Committee may, in its discretion, waive any performance or vesting conditions relating to a Performance Share Award.

10.4 Form and Timing of Payment of Performance Shares. The Committee shall pay at the close of the applicable Performance Period, or as soon as practicable thereafter, any earned Performance Shares in the form of cash or in shares of Common Stock or in a combination thereof, as specified in a Participant's Award Agreement, subject to applicable tax withholding requirements set forth in Section 17.5. Notwithstanding the foregoing, unless otherwise specified in an Award Agreement, all Performance Shares shall be paid no later than two and one-half months following the later of the calendar year or fiscal year in which such Performance Shares vest. Any shares of Common Stock paid to a Participant under this Section 10.4 may be subject to any restrictions deemed appropriate by the Committee. If Performance Shares are settled in shares of Common Stock, then as soon as practicable following the date of settlement the Company shall deliver to the Participant evidence of book entry shares of Common Stock, or upon the Participant's request, Common Stock certificates in an appropriate amount.

## **11. Performance Units**

11.1 Grant of Performance Units. Performance Units may be granted to any Eligible Person selected by the Committee. A Performance Unit Award shall be subject to such restrictions and condition as the Committee shall specify in a Participant's Award Agreement.

11.2 Value of Performance Units. Each Performance Unit shall have an initial notional value equal to a dollar amount determined by the Committee, in its sole discretion. The Committee shall set performance goals in its discretion that, depending on the extent to which they are met over a specified time period, will determine the number of Performance Units that shall be settled and paid to the Participant.

11.3 Earning of Performance Units. After the applicable time period has ended, the number of Performance Units earned by the Participant, and the amount payable in cash, in shares or in a combination thereof, over such time period shall be determined as a function of the extent to which the applicable corresponding performance goals have been achieved. This determination shall be made solely by the Committee. The Committee may, in its discretion, waive any performance or vesting conditions relating to a Performance Unit Award.

11.4 Form and Timing of Payment of Performance Units. The Committee shall pay at the close of the applicable Performance Period, or as soon as practicable thereafter, any earned Performance Units in the form of cash or in shares of Common Stock or in a combination thereof, as specified in a Participant's Award Agreement, subject to applicable tax withholding requirements set forth in Section 17.5. Notwithstanding the foregoing, unless otherwise specified in an Award Agreement, all Performance Units shall be paid no later than two and one-half months following the later of the calendar year or fiscal year in which such Performance Units vest. Any shares of Common Stock paid to a Participant under this Section 11.4 may be subject to any restrictions deemed appropriate by the Committee. If Performance Units are settled in shares of Common Stock, then as soon as practicable following the date of settlement the Company shall deliver to the Participant evidence of book entry shares of Common Stock, or upon the Participant's request, Common Stock certificates in an appropriate amount.

## **12. Incentive Bonus Awards**

12.1 Incentive Bonus Awards. The Committee, at its discretion, may grant Incentive Bonus Awards to such Participants as it may designate from time to time. The terms of a Participant's Incentive Bonus Award shall be set forth in the Participant's Award Agreement. Each Award Agreement shall specify such general terms and conditions as the Committee shall determine.

12.2 Incentive Bonus Award Performance Criteria. The determination of Incentive Bonus Awards for a given year or years may be based upon the attainment of specified levels of Company or Subsidiary performance as measured by pre-established, objective performance criteria determined at the discretion of the Committee, including any or all of the Performance Measures set forth in Exhibit A hereto. The Committee shall (i) select those Participants who shall be eligible to receive an Incentive Bonus Award, (ii) determine the performance period, (iii) determine target levels of performance, and (iv) determine the level of Incentive Bonus Award to be paid to each selected Participant upon the achievement of each performance level. The Committee generally shall make the foregoing determinations prior to the commencement of services to which an Incentive Bonus Award relates (or for Incentive Bonus Awards intended to satisfy Code Section 162(m), within the permissible time period established for exemption under Code Section 162(m) and the regulations promulgated thereunder), to the extent applicable, and while the outcome of the performance goals and targets is uncertain.

12.3 Payment of Incentive Bonus Awards.

(a) Incentive Bonus Awards shall be paid in cash or Common Stock, as set forth in a Participant's Award Agreement. Payments shall be made following a determination by the Committee that the performance targets were attained and shall be made within two and one-half months after the later of the end of the fiscal or calendar year in which the Incentive Award is no longer subject to a substantial risk of forfeiture.

(b) The amount of an Incentive Bonus Award to be paid upon the attainment of each targeted level of performance shall equal a percentage of a Participant's base salary for the fiscal year, a fixed dollar amount, or such other formula, as determined by the Committee.

**13. Other Cash-Based Awards and Other Stock-Based Awards**

13.1 Other Cash-Based and Stock-Based Awards. The Committee may grant other types of equity-based or equity-related Awards not otherwise described by the terms of this Plan (including the grant or offer for sale of unrestricted Shares) in such amounts and subject to such terms and conditions, as the Committee shall determine. Such Awards may involve the transfer of actual shares of Common Stock to a Participant, or payment in cash or otherwise of amounts based on the value of shares of Common Stock. In addition, the Committee, at any time and from time to time, may grant Cash-Based Awards to a Participant in such amounts and upon such terms as the Committee shall determine, in its sole discretion.

13.2 Value of Cash-Based Awards and Other Stock-Based Awards. Each Other Stock-Based Award shall be expressed in terms of shares of Common Stock or units based on shares of Common Stock, as determined by the Committee, in its sole discretion. Each Other Cash-Based Award shall specify a payment amount or payment range as determined by the Committee, in its sole discretion. If the Committee exercises its discretion to establish performance goals, the value of Other Cash-Based Awards that shall be paid to the Participant will depend on the extent to which such performance goals are met.

13.3 Payment of Cash-Based Awards and Other Stock-Based Awards. Payment, if any, with respect to Other Cash-Based Awards and Other Stock-Based Award shall be made in accordance with the terms of the Award, in cash or Shares as the Committee determines.

## 14. Code Section 162(m) Awards

14.1 Awards Granted Under Code Section 162(m). The Committee, at its discretion, may designate that a Restricted Stock, Stock Unit, Performance Share, Performance Unit, Incentive Bonus, Other Stock Award or Other Cash Award shall be granted as a Code Section 162(m) Award. Such an Award must comply with the following additional requirements, which shall control over any other provision that pertains to such Award.

### 14.2 Performance Measures.

(a) Each Code Section 162(m) Award shall be based upon the attainment of specified levels of pre-established, objective Performance Measures that are intended to satisfy the performance based compensation exemption requirements of Code Section 162(m) and the regulations promulgated thereunder. Further, at the discretion of the Committee, an Award also may be subject to goals and restrictions in addition to the Performance Measures.

(b) "Performance Measures" means the measures of performance of the Company and its Subsidiaries used to determine a Participant's entitlement to an Award under the Plan. Such performance measures shall have the same meanings as used in the Company's financial statements, or, if such terms are not used in the Company's financial statements, they shall have the meaning applied pursuant to generally accepted accounting principles, or as used generally in the Company's industry. Performance Measures shall be calculated with respect to the Company and each Subsidiary consolidated therewith for financial reporting purposes or such division or other business unit as may be selected by the Committee. For purposes of the Plan, the Performance Measures shall be calculated in accordance with generally accepted accounting principles to the extent applicable, but, unless otherwise determined by the Committee, prior to the accrual or payment of any Award under this Plan for the same performance period and excluding the effect (whether positive or negative) of any change in accounting standards or any extraordinary, unusual or nonrecurring item, as determined by the Committee, occurring after the establishment of the performance goals. Performance Measures shall be based on one or more of the criteria set forth in Exhibit A which is hereby incorporated by reference, as determined by the Committee.

(c) For each Code Section 162(m) Award, the Committee shall (i) select the Participant who shall be eligible to receive a Code Section 162(m) Award, (ii) determine the applicable performance period, (iii) determine the target levels of the Company or Subsidiary Performance Measures, and (iv) determine the number of shares of Common Stock or cash or other property (or combination thereof) subject to an Award to be paid to each selected Participant. The Committee shall make the foregoing determinations prior to the commencement of services to which an Award relates (or within the permissible time period established under Code Section 162(m)) and while the outcome of the performance goals and targets is uncertain.

14.3 Attainment of Code Section 162(m) Goals.

(a) After each performance period, the Committee shall certify in writing (which may include the written minutes for any meeting of the Committee): (i) if the Company has attained the performance targets, and (ii) the number of shares pursuant to the Award that are to become freely transferable, if applicable, or the cash or other property payable under the Award. The Committee shall have no discretion to waive all or part of the conditions, goals and restrictions applicable to the receipt of full or partial payment of an Award except in the case of a Change in Control of the Corporation or the death or Disability of a Participant.

(b) Notwithstanding the foregoing, the Committee may, in its discretion, reduce any Award based on such factors as may be determined by the Committee, including, without limitation, a determination by the Committee that such a reduction is appropriate in light of pay practices of competitors, or the performance of the Company, a Subsidiary or a Participant relative to the performance of competitors, or performance with respect to the Company's strategic business goals.

14.4 Individual Participant Limitations. Subject to adjustment as provided in Section 4.2, with respect to Awards intended to be Code Section 162(m) Awards and Stock Option and Stock Appreciation Rights Awards intended to be exempt from the deductibility limitation in Code Section 162(m), (i) no Participant in any one fiscal year of the Company may be granted (x) Stock Options or Stock Appreciation Rights with respect to more than 3,000,000 shares of Common Stock in the aggregate, and (y) Restricted Stock, Stock Units, Performance Shares Awards, Incentive Bonus Awards and Other Stock Based Awards that are denominated in shares of Common Stock with respect to more than 3,000,000 shares in the aggregate, and (ii) the maximum dollar value payable to any Participant in any one (1) fiscal year of the Company with respect to Stock Units, Performance Units or Incentive Bonus Awards or Other Stock-Based Awards that may be settled in cash or other property (other than Common Stock) is \$3,000,000. If an Award is cancelled, the cancelled Award shall continue to be counted towards the applicable limitations.

**15. Change in Control**

15.1 Effect of Change in Control.

(a) The Committee may, at the time of the grant of an Award and as set forth in an Award Agreement, provide for the effect of a "Change in Control" on an Award. Such provisions may include any one or more of the following: (i) the acceleration or extension of time periods for purposes of exercising, vesting in, or realizing gain from any Award, (ii) the elimination or modification of performance or other conditions related to the payment or other rights under an Award, (iii) provision for the cash settlement of an Award for an equivalent cash value, as determined by the Committee, or (iv) such other modification or adjustment to an Award as the Committee deems appropriate to maintain and protect the rights and interests of Participants upon or following a Change in Control. To the extent necessary for compliance with Section 409A of the Code, an Award Agreement shall provide that an Award subject to the requirements of Section 409A that would otherwise become payable upon a Change in Control shall only become payable to the extent that the requirements for a "change in control" for purposes of Section 409A have been satisfied.

(b) Notwithstanding anything to the contrary set forth in the Plan, unless otherwise provided by an Award Agreement, upon or in anticipation of any Change in Control, the Committee may, in its sole and absolute discretion and without the need for the consent of any Participant, take one or more of the following actions contingent upon the occurrence of that Change in Control: (i) cause any or all outstanding Stock Options and Stock Appreciation Rights held by Participants affected by the Change in Control to become vested and immediately exercisable, in whole or in part; (ii) cause any or all outstanding Restricted Stock, Stock Units, Performance Shares, Performance Units, Incentive Bonus Award and any other Award held by Participants affected by the Change in Control to become non-forfeitable, in whole or in part; (iii) cancel any Stock Option or Stock Appreciation Right in exchange for a substitute option in a manner consistent with the requirements of Treasury Regulation. §1.424-1(a) (notwithstanding the fact that the original Stock Option may never have been intended to satisfy the requirements for treatment as an Incentive Stock Option); (iv) cancel any Restricted Stock, Stock Units, Performance Shares or Performance Units held by a Participant in exchange for restricted stock or performance shares of or stock or performance units in respect of the capital stock of any successor corporation; (v) redeem any Restricted Stock held by a Participant affected by the Change in Control for cash and/or other substitute consideration with a value equal to the Fair Market Value of an unrestricted share of Common Stock on the date of the Change in Control; (vi) cancel any Stock Option or Stock Appreciation Right held by a Participant affected by the Change in Control in exchange for cash and/or other substitute consideration with a value equal to (A) the number of shares of Common Stock subject to that Stock Option or Stock Appreciation Right, multiplied by (B) the difference, if any, between the Fair Market Value per share of Common Stock on the date of the Change in Control and the exercise price of that Stock Option or Stock Appreciation Right; *provided*, that if the Fair Market Value per share of Common Stock on the date of the Change in Control does not exceed the exercise price of any such Stock Option or Stock Appreciation Right, the Committee may cancel that Stock Option or Stock Appreciation Right without any payment of consideration therefor; (vii) cancel any Stock Unit or Performance Unit held by a Participant affected by the Change in Control in exchange for cash and/or other substitute consideration with a value equal to the Fair Market Value per share of Common Stock on the date of the Change in Control (provided that such cancelation and exchange does not violate Section 409A of the Code); or (ix) make such other modifications, adjustments or amendments to outstanding Awards or this Plan as the Committee deems necessary or appropriate.

## 16. General Provisions

16.1 Award Agreement. To the extent deemed necessary by the Committee, an Award under the Plan shall be evidenced by an Award Agreement in a written or electronic form approved by the Committee setting forth the number of shares of Common Stock or units subject to the Award, the exercise price, base price, or purchase price of the Award, the time or times at which an Award will become vested, exercisable or payable and the term of the Award. The Award Agreement may also set forth the effect on an Award of termination of Service under certain circumstances. The Award Agreement shall be subject to and incorporate, by reference or otherwise, all of the applicable terms and conditions of the Plan, and may also set forth other terms and conditions applicable to the Award as determined by the Committee consistent with the limitations of the Plan. 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. The grant of an Award under the Plan shall not confer any rights upon the Participant holding such Award other than such terms, and subject to such conditions, as are specified in the Plan as being applicable to such type of Award (or to all Awards) or as are expressly set forth in the Award Agreement.

16.2 Forfeiture Events/Representations. The Committee may specify in an Award Agreement at the time of the Award that the Participant's rights, payments and benefits with respect to an Award shall be subject to reduction, cancellation, forfeiture or recoupment upon the occurrence of certain specified events, in addition to any otherwise applicable vesting or performance conditions of an Award. Such events shall include, but shall not be limited to, termination of Service for Cause, violation of material Company policies, breach of noncompetition, confidentiality or other restrictive covenants that may apply to the Participant, or other conduct by the Participant that is detrimental to the business or reputation of the Company. The Committee may also specify in an Award Agreement that the Participant's rights, payments and benefits with respect to an Award shall be conditioned upon the Participant making a representation regarding compliance with noncompetition, confidentiality or other restrictive covenants that may apply to the Participant and providing that the Participant's rights, payments and benefits with respect to an Award shall be subject to reduction, cancellation, forfeiture or recoupment on account of a breach of such representation. In addition and without limitation of the foregoing, any amounts paid hereunder shall be subject to recoupment in accordance with The Dodd-Frank Wall Street Reform and Consumer Protection Act and any implementing regulations thereunder, any "clawback" policy adopted by the Company or as is otherwise required by applicable law or stock exchange listing condition.

### 16.3 No Assignment or Transfer; Beneficiaries.

(a) Awards under the Plan shall not be assignable or transferable by the Participant, except by will or by the laws of descent and distribution, and shall not be subject in any manner to assignment, alienation, pledge, encumbrance or charge. Notwithstanding the foregoing, the Committee may provide in an Award Agreement that the Participant shall have the right to designate a beneficiary or beneficiaries who shall be entitled to any rights, payments or other benefits specified under an Award following the Participant's death. During the lifetime of a Participant, an Award shall be exercised only by such Participant or such Participant's guardian or legal representative. In the event of a Participant's death, an Award may, to the extent permitted by the Award Agreement, be exercised by the Participant's beneficiary as designated by the Participant in the manner prescribed by the Committee or, in the absence of an authorized beneficiary designation, by the legatee of such Award under the Participant's will or by the Participant's estate in accordance with the Participant's will or the laws of descent and distribution, in each case in the same manner and to the same extent that such Award was exercisable by the Participant on the date of the Participant's death.

(b) Limited Transferability Rights. Notwithstanding anything else in this Section 16.3 to the contrary, the Committee may in its discretion provide in an Award Agreement that an Award in the form of a Nonqualified Stock Option, share-settled Stock Appreciation Right, Restricted Stock, Performance Share or share-settled Other Stock-Based Award may be transferred, on such terms and conditions as the Committee deems appropriate, either (i) by instrument to the Participant's "Immediate Family" (as defined below), (ii) by instrument to an inter vivos or testamentary trust (or other entity) in which the Award is to be passed to the Participant's designated beneficiaries, or (iii) by gift to charitable institutions. Any transferee of the Participant's rights shall succeed and be subject to all of the terms of the applicable Award Agreement and the Plan. "Immediate Family" means any child, stepchild, grandchild, parent, stepparent, grandparent, spouse, former spouse, sibling, niece, nephew, mother-in-law, father-in-law, son-in-law, daughter-in-law, brother-in-law, or sister-in-law, and shall include adoptive relationships.

16.4 Rights as Stockholder. A Participant shall have no rights as a holder of shares of Common Stock with respect to any unissued securities covered by an Award until the date the Participant becomes the holder of record of such securities. Except as provided in Section 4.2 hereof, no adjustment or other provision shall be made for dividends or other stockholder rights, except to the extent that the Award Agreement provides for dividend payments or dividend equivalent rights.

16.5 Employment or Service. Nothing in the Plan, in the grant of any Award or in any Award Agreement shall confer upon any Eligible Person or Participant any right to continue in the Service of the Company or any of its Subsidiaries, or interfere in any way with the right of the Company or any of its Subsidiaries to terminate the employment or other service relationship of an Eligible Person or Participant for any reason at any time.

16.6 Fractional Shares. In the case of any fractional share or unit resulting from the grant, vesting, payment or crediting of dividends or dividend equivalents under an Award, the Committee shall have the discretionary authority to (i) disregard such fractional share or unit, (ii) round such fractional share or unit to the nearest lower or higher whole share or unit, or (iii) convert such fractional share or unit into a right to receive a cash payment.

16.7 Other Compensation and Benefit Plans. The amount of any compensation deemed to be received by a Participant pursuant to an Award shall not constitute includable compensation for purposes of determining the amount of benefits to which a Participant is entitled under any other compensation or benefit plan or program of the Company or any Subsidiary, including, without limitation, under any bonus, pension, profit-sharing, life insurance, salary continuation or severance benefits plan, except to the extent specifically provided by the terms of any such plan.

16.8 Plan Binding on Transferees. The Plan shall be binding upon the Company, its transferees and assigns, and the Participant, the Participant's executor, administrator and permitted transferees and beneficiaries. In addition, all obligations of the Company under this Plan with respect to Awards granted hereunder shall be binding on any successor to the Company, whether the existence of such successor is the result of a direct or indirect purchase, merger, consolidation, or otherwise, of all or substantially all of the business and/or assets of the Company.



16.9 Foreign Jurisdictions. The Committee may adopt, amend and terminate such arrangements and grant such Awards, not inconsistent with the intent of the Plan, as it may deem necessary or desirable to comply with any tax, securities, regulatory or other laws of other jurisdictions with respect to Awards that may be subject to such laws. The terms and conditions of such Awards may vary from the terms and conditions that would otherwise be required by the Plan solely to the extent the Committee deems necessary for such purpose. Moreover, the Board may approve such supplements to or amendments, restatements or alternative versions of the Plan, not inconsistent with the intent of the Plan, as it may consider necessary or appropriate for such purposes, without thereby affecting the terms of the Plan as in effect for any other purpose.

16.10 Substitute Awards in Corporate Transactions. Nothing contained in the Plan shall be construed to limit the right of the Committee to grant Awards under the Plan in connection with the acquisition, whether by purchase, merger, consolidation or other corporate transaction, of the business or assets of any corporation or other entity. Without limiting the foregoing, the Committee may grant Awards under the Plan to an employee or director of another corporation who becomes an Eligible Person by reason of any such corporate transaction in substitution for awards previously granted by such corporation or entity to such person. The terms and conditions of the substitute Awards may vary from the terms and conditions that would otherwise be required by the Plan solely to the extent the Committee deems necessary for such purpose. Any shares of Common Stock subject to these substitute Awards shall not be counted against any of the maximum share limitations set forth in the Plan.

## **17. Legal Compliance**

17.1 Securities Laws. No shares of Common Stock will be issued or transferred pursuant to an Award unless and until all then applicable requirements imposed by Federal and state securities and other laws, rules and regulations and by any regulatory agencies having jurisdiction, and by any exchanges upon which the shares of Common Stock may be listed, have been fully met. As a condition precedent to the issuance of shares pursuant to the grant or exercise of an Award, the Company may require the Participant to take any reasonable action to meet such requirements. The Committee may impose such conditions on any shares of Common Stock issuable under the Plan as it may deem advisable, including, without limitation, restrictions under the Securities Act, as amended, under the requirements of any exchange upon which such shares of the same class are then listed, and under any blue sky or other securities laws applicable to such shares. The Committee may also require the Participant to represent and warrant at the time of issuance or transfer that the shares of Common Stock are being acquired only for investment purposes and without any current intention to sell or distribute such shares. All Common Stock issued pursuant to the terms of this Plan shall constitute "restricted securities," as that term is defined in Rule 144 promulgated pursuant to the Securities Act, and may not be transferred except in compliance herewith and with the registration requirements of the Securities Act or an exemption therefrom. Certificates representing Common Stock acquired pursuant to an Award may bear such legend as the Company may consider appropriate under the circumstances. If an Award is made to an Eligible Person who is subject to Chinese jurisdiction, and approval of the Award by China's State Administration of Foreign Exchange is needed, the Award may be converted to cash or other equivalent amount if and to the extent that such approval is not obtained.

17.2 Incentive Arrangement. The Plan is designed to provide an on-going, pecuniary incentive for Participants to produce their best efforts to increase the value of the Company. The Plan is not intended to provide retirement income or to defer the receipt of payments hereunder to the termination of a Participant's employment or beyond. The Plan is thus intended not to be a pension or welfare benefit plan that is subject to Employee Retirement Income Security Act of 1974 ("ERISA"), and shall be construed accordingly. All interpretations and determinations hereunder shall be made on a basis consistent with the Plan's status as not an employee benefit plan subject to ERISA.

17.3 Unfunded Plan. The adoption of the Plan and any reservation of shares of Common Stock or cash amounts by the Company to discharge its obligations hereunder shall not be deemed to create a trust or other funded arrangement. Except upon the issuance of Common Stock pursuant to an Award, any rights of a Participant under the Plan shall be those of a general unsecured creditor of the Company, and neither a Participant nor the Participant's permitted transferees or estate shall have any other interest in any assets of the Company by virtue of the Plan. Notwithstanding the foregoing, the Company shall have the right to implement or set aside funds in a grantor trust, subject to the claims of the Company's creditors or otherwise, to discharge its obligations under the Plan.

17.4 Section 409A Compliance. To the extent applicable, it is intended that the Plan and all Awards hereunder comply with the requirements of Section 409A of the Code or an exemption thereto, and the Plan and all Award Agreements shall be interpreted and applied by the Committee in a manner consistent with this intent in order to avoid the imposition of any additional tax under Section 409A of the Code. Notwithstanding anything in the Plan or an Award Agreement to the contrary, in the event that any provision of the Plan or an Award Agreement is determined by the Committee, in its sole discretion, to not comply with the requirements of Section 409A of the Code or an exemption thereto, the Committee shall, in its sole discretion, have the authority to take such actions and to make such interpretations or changes to the Plan or an Award Agreement as the Committee deems necessary, regardless of whether such actions, interpretations, or changes shall adversely affect a Participant, subject to the limitations, if any, of applicable law. In no event whatsoever shall the Company be liable for any additional tax, interest or penalties that may be imposed on any Participant by Section 409A of the Code or any damages for failing to comply with Section 409A of the Code.

17.5 Tax Withholding.

(a) The Company shall have the power and the right to deduct or withhold, or require a participant to remit to the Company, the minimum statutory amount to satisfy federal, state, and local taxes, domestic or foreign, required by law or regulation to be withheld with respect to any taxable event arising as a result of this Plan, but in no event shall such deduction or withholding or remittance exceed the minimum statutory withholding requirements. Notwithstanding the foregoing, if a minimum statutory amount of withholding does not apply under the laws of any foreign jurisdiction, the Company may withhold such amount for remittance to the applicable taxing authority of such jurisdiction as the Company determines in its discretion, uniformly applied, to be appropriate.

(b) A Participant may, in order to fulfill the withholding obligation, tender previously-acquired shares of Common Stock or have shares of stock withheld from the exercise, provided that the shares have an aggregate Fair Market Value sufficient to satisfy in whole or in part the applicable withholding taxes. The broker-assisted exercise procedure described in Section 6.5 may also be utilized to satisfy the withholding requirements related to the exercise of a Stock Option.

(c) Notwithstanding the foregoing, a Participant may not use shares of Common Stock to satisfy the withholding requirements to the extent that (i) there is a substantial likelihood that the use of such form of payment or the timing of such form of payment would subject the Participant to a substantial risk of liability under Section 16 of the Exchange Act; or (ii) such withholding would constitute a violation of the provisions of any law or regulation (including the Sarbanes-Oxley Act of 2002).

17.6 No Guarantee of Tax Consequences. Neither the Company, the Board, the Committee nor any other Person make any commitment or guarantee that any federal, state, local or foreign tax treatment will apply or be available to any Participant or any other person hereunder.

17.7 Severability. If any provision of the Plan or any Award Agreement shall be determined to be illegal or unenforceable by any court of law in any jurisdiction, the remaining provisions hereof and thereof shall be severable and enforceable in accordance with their terms, and all provisions shall remain enforceable in any other jurisdiction.

17.8 Stock Certificates; Book Entry Form. Notwithstanding any provision of the Plan to the contrary, unless otherwise determined by the Committee or required by any applicable law, rule or regulation, any obligation set forth in the Plan pertaining to the delivery or issuance of stock certificates evidencing shares of Common Stock may be satisfied by having issuance and/or ownership of such shares recorded on the books and records of the Company (or, as applicable, its transfer agent or stock plan administrator).

17.9 Governing Law. The Plan and all rights hereunder shall be subject to and interpreted in accordance with the laws of the State of Delaware, without reference to the principles of conflicts of laws, and to applicable Federal securities laws.

## **18. Effective Date, Amendment and Termination**

18.1 Effective Date. The effective date of the Plan shall be the date on which the Plan is approved by the requisite percentage of the holders of the Common Stock of the Company; provided, however, that Awards granted under the Plan subsequent to the approval of the Plan by the Board shall be valid if such stockholder approval occurs within one year of the date on which such Board approval occurs.

18.2 Amendment; Termination. The Board may suspend or terminate the Plan (or any portion thereof) at any time and may amend the Plan at any time and from time to time in such respects as the Board may deem advisable or in the best interests of the Company or any Subsidiary; provided, however, that (a) no such amendment, suspension or termination shall materially and adversely affect the rights of any Participant under any outstanding Awards, without the consent of such Participant, (b) to the extent necessary and desirable to comply with any applicable law, regulation, or stock exchange rule, the Company shall obtain stockholder approval of any Plan amendment in such a manner and to such a degree as required, and (c) stockholder approval is required for any amendment to the Plan that (i) increases the number of shares of Common Stock available for issuance under the Plan, or (ii) changes the persons or class of persons eligible to receive Awards. The Plan will continue in effect until terminated in accordance with this Section 18.2; *provided, however*, that no Award will be granted hereunder on or after the 10th anniversary of the date of the Plan's initial adoption by the Board; *but provided further*, that Awards granted prior to such 10th anniversary may extend beyond that date.

INITIAL BOARD APPROVAL: \_\_\_/\_\_\_/2014

INITIAL STOCKHOLDER APPROVAL: \_\_\_/\_\_\_/2014

## EXHIBIT A

### PERFORMANCE MEASURES

Code Section 162(m) Awards shall be based on the attainment of objective performance goals that are established by the Committee and relate to one or more Performance Measures, in each case on specified date or over any period, up to 10 years, as determined by the Committee.

“Performance Measures” means the following business criteria (or any combination thereof) with respect to one or more of the Company, any Subsidiary or any division or operating unit thereof:

- pre-tax income,
- after-tax income,
- net income (meaning net income as reflected in the Company’s financial reports for the applicable period, on an aggregate, diluted and/or per share basis, or economic net income),
- operating income or profit,
- cash flow, free cash flow, cash flow return on investment (discounted or otherwise), net cash provided by operations, or cash flow in excess of cost of capital,
- earnings per share (basic or diluted),
- return on equity,
- returns on sales or revenues,
- return on invested capital or assets (gross or net),
- cash, funds or earnings available for distribution,
- appreciation in the fair market value of the Common Stock,
- operating expenses,
- implementation or completion of critical projects or processes,
- return on investment,
- total return to stockholders (meaning the aggregate Common Stock price appreciation and dividends paid (assuming full reinvestment of dividends) during the applicable period),
- net earnings growth,

- return measures (including but not limited to return on assets, capital, equity, or sales),
- increase in revenues,
- the Company's published ranking against its peer group of pharmaceutical companies based on total stockholder return,
- net earnings,
- changes (or the absence of changes) in the per share price of the Company's Common Stock,
- clinical or regulatory milestones,
- earnings before or after any one or more of the following items: interest, taxes, depreciation or amortization, as reflected in the Company's financial reports for the applicable period,
- total revenue growth (meaning the increase in total revenues after the date of grant of an award and during the applicable period, as reflected in the Company's financial reports for the applicable period),
  - economic value created,
  - operating margin or profit margin,
  - share price or total shareholder return,
  - cost targets, reductions and savings, productivity and efficiencies,
  - strategic business criteria, consisting of one or more objectives based on meeting objectively determinable criteria: specified market penetration, geographic business expansion, investor satisfaction, employee satisfaction, human resources management, supervision of litigation, information technology, and goals relating to acquisitions, divestitures, joint ventures and similar transactions, and budget comparisons,
  - objectively determinable personal or professional objectives, including any of the following performance goals: the implementation of policies and plans, the negotiation of transactions, the development of long term business goals, formation of joint ventures, research or development collaborations, and the completion of other corporate transactions, and
  - any combination of, or a specified increase or improvement in, any of the foregoing.

Where applicable, the Performance Measures may be expressed in terms of attaining a specified level of the particular criteria or the attainment of a percentage increase or decrease in the particular criteria, and may be applied to one or more of the Company, a Subsidiary or affiliate, or a division or strategic business unit of the Company, or may be applied to the performance of the Company relative to a market index, a group of other companies or a combination thereof, all as determined by the Committee.

The Performance Measures may include a threshold level of performance below which no payment shall be made (or no vesting shall occur), levels of performance at which specified payments shall be made (or specified vesting shall occur), and a maximum level of performance above which no additional payment shall be made (or at which full vesting shall occur).

Except as otherwise expressly provided, all financial terms are used as defined under Generally Accepted Accounting Principles (“GAAP”) and all determinations shall be made in accordance with GAAP, as applied by the Company in the preparation of its periodic reports to stockholders.

To the extent permitted by Section 162(m) of the Code, unless the Committee provides otherwise at the time of establishing the performance goals, for each fiscal year of the Company, the Committee shall have the authority to make equitable adjustments to the Performance Measures in recognition of unusual or non-recurring events affecting the Company or any Subsidiary or affiliate or the financial statements of the Company or any Subsidiary or affiliate and may provide for objectively determinable adjustments, as determined in accordance with GAAP, to any of the Performance Measures described above for one or more of the items of gain, loss, profit or expense: (A) determined to be extraordinary or unusual in nature or infrequent in occurrence, (B) related to the disposal of a segment of a business, (C) related to a change in accounting principle under GAAP or a change in applicable laws or regulations, (D) related to discontinued operations that do not qualify as a segment of a business under GAAP, and (E) attributable to the business operations of any entity acquired by the Company during the fiscal year.

## INCENTIVE STOCK OPTION GRANT AGREEMENT

## CORBUS PHARMACEUTICALS HOLDINGS, INC.

This Stock Option Grant Agreement (the "Grant Agreement") is made and entered into effective on the Date of Grant set forth in Exhibit A (the "Date of Grant") by and between Corbus Pharmaceuticals Holdings, Inc., a Delaware corporation (the "Company"), and the individual named in Exhibit A hereto (the "Optionee").

WHEREAS, the Company desires to provide the Optionee an incentive to participate in the success and growth of the Company through the opportunity to earn a proprietary interest in the Company; and

WHEREAS, to give effect to the foregoing intention, the Company desires to grant the Optionee an option pursuant to the Corbus Pharmaceuticals Holdings, Inc. 2014 Equity Compensation Plan (the "Plan") to acquire the Company's common stock, par value \$.0001 per share (the "Common Stock");

NOW, THEREFORE, in consideration of the mutual covenants hereinafter set forth and for good and valuable consideration, the parties hereto agree as follows:

1. Grant. The Company hereby grants the Optionee an Incentive Stock Option (the "Option") to purchase up to the number of shares of Common Stock (the "Shares") set forth in Exhibit A hereto at the exercise price per Share (the "Exercise Price") set forth in Exhibit A, subject to the terms and conditions set forth herein and the provisions of the Plan, the terms of which are incorporated herein by reference. Capitalized terms used but not otherwise defined in this Grant Agreement shall have the meanings as set forth in the Plan.

This Option is intended to qualify as an Incentive Stock Option ("ISO") under Section 422 of the Code. However, notwithstanding such designation, if the Optionee becomes eligible in any given year to exercise ISOs for Shares having a Fair Market Value in excess of \$100,000, those options representing the excess shall be treated as Non-Qualified Stock Options. In the previous sentence, "ISOs" include ISOs granted under any plan of the Company or any parent or any Subsidiary of the Company. For the purpose of deciding which options apply to Shares that "exceed" the \$100,000 limit, ISOs shall be taken into account in the same order as granted. The Fair Market Value of the Shares shall be determined as of the time the Option with respect to such Shares is granted. The Optionee hereby acknowledges that there is no assurance that the Option will, in fact, be treated as an Incentive Stock Option under Section 422 of the Code.

2. Vesting. Except as otherwise provided in this Grant Agreement, this Option will vest and become exercisable, in whole or in part, as follows: twenty-five percent (25%) of the total number of Shares Subject to the Option set forth on Exhibit A shall vest on the first anniversary of the Date of Grant, and (ii) the remaining seventy-five percent (75%) of the Shares underlying the Option shall vest in equal monthly installments on the next thirty-six (36) monthly anniversary dates thereafter (such that the final installment shall vest on the fourth anniversary of the Date of Grant); provided, however, that no portion of this Option will vest after the date on which the Optionee's employment or other Service with the Company and its Subsidiaries terminates.

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3. Exercise Period Following Termination of Service. This Option shall terminate and be canceled to the extent not exercised within three (3) months following termination of the Optionee's employment or other Service with the Company and all Subsidiaries, except that if such termination is due to the Optionee's death or permanent and total disability within the meaning of Section 22(e)(3) of the Code, this Option shall terminate and be canceled one (1) year from the date of termination of Service with the Company and all Subsidiaries. Notwithstanding the foregoing, in the event that the Optionee's employment or other Service with the Company and its Subsidiaries is terminated for Cause, then the Option shall immediately terminate on the date of such termination of Service and shall not be exercisable for any period following such date. In no event, however, shall this Option be exercised later than the Expiration Date set forth in Exhibit A and in no event shall this Option be exercised for more Shares than the Shares which otherwise have become exercisable as of the date of termination.

4. Method of Exercise. This Option is exercisable by delivery to the Company of an exercise notice (the "Exercise Notice") in a form satisfactory to the Committee or by such other form or means as the Committee may permit or require. Any Exercise Notice shall state or provide the number of Shares with respect to which the Option is being exercised (the "Exercised Shares"), and include such other representations and agreements as may be required by the Company pursuant to the provisions of the Plan. The Exercise Notice shall be accompanied by payment of the aggregate Exercise Price for the Exercised Shares in (i) cash; (ii) check; or (iii) wire transfer. Upon exercise of the Option by the Optionee and prior to the delivery of such Exercised Shares, the Company shall have the right to require the Optionee to satisfy applicable Federal and state tax income tax withholding requirements and the Optionee's share of applicable employment withholding taxes in a method satisfactory to the Company. Notwithstanding the foregoing, no Exercised Shares shall be issued unless such exercise and issuance complies with the requirements relating to the administration of stock option plans and other applicable equity plans under U.S. state corporate laws, U.S. federal and state securities laws, the Code, any stock exchange or quotation system on which the Common Stock is listed or quoted, and the applicable laws of any foreign country or jurisdiction where stock grants or other applicable equity grants are made under the Plan; assuming such compliance, for income tax purposes the Exercised Shares shall be considered transferred to the Optionee on the date the Option is exercised with respect to such Shares.

5. Covenants Agreement. This Option shall be subject to forfeiture at the election of the Company in the event that the Optionee breaches any agreement between the Optionee and the Company with respect to noncompetition, nonsolicitation, assignment of inventions and contributions and/or nondisclosure obligations of the Optionee.

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6. Taxes. By executing this Grant Agreement, Optionee acknowledges and agrees that Optionee is solely responsible for the satisfaction of any applicable taxes that may be imposed on Optionee that arise as a result of the grant, vesting or exercise of the Option, including without limitation any taxes arising under Section 409A of the Code (regarding deferred compensation) or Section 4999 of the Code (regarding golden parachute excise taxes), and that neither the Company nor the Committee shall have any obligation whatsoever to pay such taxes or otherwise indemnify or hold Optionee harmless from any or all of such taxes.

7. Non-Transferability of Option. This Option may not be transferred in any manner otherwise than by will or by the laws of descent or distribution and may be exercised during the lifetime of the Optionee only by the Optionee. The terms of the Plan and this Grant Agreement shall be binding upon the executors, administrators, heirs, successors and assigns of the Optionee.

8. Securities Matters. All Shares and Exercised Shares shall be subject to the restrictions on sale, encumbrance and other disposition provided by Federal or state law. The Company shall not be obligated to sell or issue any Shares or Exercised Shares pursuant to this Grant Agreement unless, on the date of sale and issuance thereof, such Shares are either registered under the Securities Act of 1933, as amended (the "Securities Act"), and all applicable state securities laws, or are exempt from registration thereunder. Regardless of whether the offering and sale of Shares under the Plan have been registered under the Securities Act, or have been registered or qualified under the securities laws of any state, the Company at its discretion may impose restrictions upon the sale, pledge or other transfer of such Shares (including the placement of appropriate legends on stock certificates or the imposition of stop-transfer instructions) if, in the judgment of the Company, such restrictions are necessary in order to achieve compliance with the Securities Act or the securities laws of any state or any other law.

9. Investment Purpose. The Optionee represents and warrants that unless the Shares are registered under the Securities Act, any and all Shares acquired by the Optionee under this Grant Agreement will be acquired for investment for the Optionee's own account and not with a view to, for resale in connection with, or with an intent of participating directly or indirectly in, any distribution of such Shares within the meaning of the Securities Act. The Optionee agrees not to sell, transfer or otherwise dispose of such Shares unless they are either (1) registered under the Securities Act and all applicable state securities laws, or (2) exempt from such registration in the opinion of Company counsel.

10. Lock-Up Agreement. The Optionee hereby agrees that in the event that the Optionee exercises this Option during a period in which any directors or officers of the Company have agreed with one or more underwriters not to sell securities of the Company, then, upon request from the Company, as a condition to such exercise, the Optionee shall enter into an agreement, in form and substance satisfactory to the Company, pursuant to which the Optionee shall agree to restrictions on transferability of the Shares comparable to the restrictions agreed upon by such directors or officers of the Company.

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11. Other Plans. No amounts of income received by the Optionee pursuant to this Grant Agreement shall be considered compensation for purposes of any pension or retirement plan, insurance plan or any other employee benefit plan of the Company or its subsidiaries, unless otherwise expressly provided in such plan.

12. No Guarantee of Continued Service. The Optionee acknowledges and agrees that the right to exercise the Option pursuant to the exercise schedule hereof is earned only by continuing employment or Service with the Company and/or its Subsidiaries (and not through the act of being hired, being granted an option or purchasing shares hereunder). The Optionee further acknowledges and agrees that (i) this Grant Agreement, the transactions contemplated hereunder and the exercise schedule set forth herein do not constitute an express or implied promise of continued employment or Service for the exercise period or for any other period, and shall not interfere with the Optionee's right or the right of the Company or its Subsidiaries to terminate the employment or Service relationship at any time, with or without cause, subject to the terms of any written employment agreement that the Optionee may have entered into with the Company or any of its Subsidiaries; and (ii) the Company would not have granted this Option to the Optionee but for these acknowledgements and agreements.

13. Entire Agreement; Governing Law. The Plan is incorporated herein by reference. The Plan and this Grant Agreement constitute the entire agreement of the parties with respect to the subject matter hereof and supersede in their entirety all prior undertakings and agreements of the Company and the Optionee with respect to the subject matter hereof, and may not be modified adversely to the Optionee's interest except by means of a writing signed by the Company and the Optionee. In the event of any conflict between this Grant Agreement and the Plan, the Plan shall be controlling, except as otherwise specifically provided in the Plan. This Grant Agreement shall be construed under the laws of the State of Delaware, without regard to conflict of laws principles.

14. Opportunity for Review. Optionee and the Company agree that this Option is granted under and governed by the terms and conditions of the Plan and this Grant Agreement. The Optionee has reviewed the Plan and this Grant Agreement in their entirety, has had an opportunity to obtain the advice of counsel prior to executing this Grant Agreement and fully understands all provisions of the Plan and this Grant Agreement. The Optionee hereby agrees to accept as binding, conclusive and final all decisions or interpretations of the Committee upon any questions relating to the Plan and this Grant Agreement. The Optionee further agrees to notify the Company upon any change in the residence address indicated herein.

15. Section 409A. This Option is intended to be excepted from coverage under Section 409A and shall be administered, interpreted and construed accordingly. The Company may, in its sole discretion and without the Optionee's consent, modify or amend the terms of this Grant Agreement, impose conditions on the timing and effectiveness of the exercise of the Option by Optionee, or take any other action it deems necessary or advisable, to cause the Option to be excepted from Section 409A (or to comply therewith to the extent the Company determines it is not excepted).

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EXHIBIT A

INCENTIVE STOCK OPTION GRANT AGREEMENT

CORBUS PHARMACEUTICALS HOLDINGS, INC.

- (a). **Optionee's Name:** \_\_\_\_\_
- (b). **Date of Grant:** \_\_\_\_\_
- (c). **Number of Shares Subject to the Option:** \_\_\_\_\_
- (d). **Exercise Price:** \$\_\_\_\_\_ per Share
- (e). **Expiration Date:** \_\_\_\_\_

\_\_\_\_\_(Initials)  
Optionee

\_\_\_\_\_(Initials)  
Company Signatory

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## NONQUALIFIED STOCK OPTION GRANT AGREEMENT

## CORBUS PHARMACEUTICALS HOLDINGS, INC.

This Stock Option Grant Agreement (the “Grant Agreement”) is made and entered into effective on the Date of Grant set forth in Exhibit A (the “Date of Grant”) by and between Corbus Pharmaceuticals Holdings, Inc., a Delaware corporation (the “Company”), and the individual named in Exhibit A hereto (the “Optionee”).

WHEREAS, the Company desires to provide the Optionee an incentive to participate in the success and growth of the Company through the opportunity to earn a proprietary interest in the Company; and

WHEREAS, to give effect to the foregoing intention, the Company desires to grant the Optionee an option pursuant to the Corbus Pharmaceuticals Holdings, Inc. 2014 Equity Compensation Plan (the “Plan”) to acquire the Company’s common stock, par value \$.0001 per share (the “Common Stock”);

NOW, THEREFORE, in consideration of the mutual covenants hereinafter set forth and for good and valuable consideration, the parties hereto agree as follows:

1. Grant. The Company hereby grants the Optionee a Nonqualified Stock Option (the “Option”) to purchase up to the number of shares of Common Stock (the “Shares”) set forth in Exhibit A hereto at the exercise price per Share (the “Exercise Price”) set forth in Exhibit A, subject to the terms and conditions set forth herein and the provisions of the Plan, the terms of which are incorporated herein by reference. Capitalized terms used but not otherwise defined in this Grant Agreement shall have the meanings as set forth in the Plan.

2. Vesting. Except as otherwise provided in this Grant Agreement, this Option will vest and become exercisable, in whole or in part, as follows: twenty-five percent (25%) of the total number of Shares Subject to the Option set forth on Exhibit A shall vest on the first anniversary of the Date of Grant, and (ii) the remaining seventy-five percent (75%) of the Shares underlying the Option shall vest in equal monthly installments on the next thirty-six (36) monthly anniversary dates thereafter (such that the final installment shall vest on the fourth anniversary of the Date of Grant); provided, however, that no portion of this Option will vest after the date on which the Optionee’s employment or other Service with the Company and its Subsidiaries terminates.

3. Exercise Period Following Termination of Service. This Option shall terminate and be canceled to the extent not exercised within ninety (90) days after the Optionee’s employment or other Service with the Company and its Subsidiaries terminates, except that if such termination is due to the death or Disability of the Optionee, this Option shall terminate and be canceled twelve (12) months from the date of termination of Service. Notwithstanding the foregoing, in the event that the Optionee’s employment or other Service with the Company and its Subsidiaries is terminated for Cause, then the Option shall immediately terminate on the date of such termination of Service and shall not be exercisable for any period following such date. In no event, however, shall this Option be exercised later than the Expiration Date set forth in Exhibit A and in no event shall this Option be exercised for more Shares than the Shares which otherwise have become exercisable as of the date of termination.

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4. Method of Exercise. This Option is exercisable by delivery to the Company of an exercise notice (the "Exercise Notice") in a form satisfactory to the Committee or by such other form or means as the Committee may permit or require. Any Exercise Notice shall state or provide the number of Shares with respect to which the Option is being exercised (the "Exercised Shares"), and include such other representations and agreements as may be required by the Company pursuant to the provisions of the Plan. The Exercise Notice shall be accompanied by payment of the aggregate Exercise Price for the Exercised Shares in (i) cash; (ii) check; or (iii) wire transfer. Upon exercise of the Option by the Optionee and prior to the delivery of such Exercised Shares, the Company shall have the right to require the Optionee to satisfy applicable Federal and state tax income tax withholding requirements and the Optionee's share of applicable employment withholding taxes in a method satisfactory to the Company. Notwithstanding the foregoing, no Exercised Shares shall be issued unless such exercise and issuance complies with the requirements relating to the administration of stock option plans and other applicable equity plans under U.S. state corporate laws, U.S. federal and state securities laws, the Code, any stock exchange or quotation system on which the Common Stock is listed or quoted, and the applicable laws of any foreign country or jurisdiction where stock grants or other applicable equity grants are made under the Plan; assuming such compliance, for income tax purposes the Exercised Shares shall be considered transferred to the Optionee on the date the Option is exercised with respect to such Shares.

5. Covenants Agreement. This Option shall be subject to forfeiture at the election of the Company in the event that the Optionee breaches any agreement between the Optionee and the Company with respect to noncompetition, nonsolicitation, assignment of inventions and contributions and/or nondisclosure obligations of the Optionee.

6. Taxes. By executing this Grant Agreement, Optionee acknowledges and agrees that Optionee is solely responsible for the satisfaction of any applicable taxes that may be imposed on Optionee that arise as a result of the grant, vesting or exercise of the Option, including without limitation any taxes arising under Section 409A of the Code (regarding deferred compensation) or Section 4999 of the Code (regarding golden parachute excise taxes), and that neither the Company nor the Committee shall have any obligation whatsoever to pay such taxes or otherwise indemnify or hold Optionee harmless from any or all of such taxes.

7. Non-Transferability of Option. This Option may not be transferred in any manner otherwise than by will or by the laws of descent or distribution and may be exercised during the lifetime of the Optionee only by the Optionee. The terms of the Plan and this Grant Agreement shall be binding upon the executors, administrators, heirs, successors and assigns of the Optionee.

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8. Securities Matters. All Shares and Exercised Shares shall be subject to the restrictions on sale, encumbrance and other disposition provided by Federal or state law. The Company shall not be obligated to sell or issue any Shares or Exercised Shares pursuant to this Grant Agreement unless, on the date of sale and issuance thereof, such Shares are either registered under the Securities Act of 1933, as amended (the "Securities Act"), and all applicable state securities laws, or are exempt from registration thereunder. Regardless of whether the offering and sale of Shares under the Plan have been registered under the Securities Act, or have been registered or qualified under the securities laws of any state, the Company at its discretion may impose restrictions upon the sale, pledge or other transfer of such Shares (including the placement of appropriate legends on stock certificates or the imposition of stop-transfer instructions) if, in the judgment of the Company, such restrictions are necessary in order to achieve compliance with the Securities Act or the securities laws of any state or any other law.

9. Investment Purpose. The Optionee represents and warrants that unless the Shares are registered under the Securities Act, any and all Shares acquired by the Optionee under this Grant Agreement will be acquired for investment for the Optionee's own account and not with a view to, for resale in connection with, or with an intent of participating directly or indirectly in, any distribution of such Shares within the meaning of the Securities Act. The Optionee agrees not to sell, transfer or otherwise dispose of such Shares unless they are either (1) registered under the Securities Act and all applicable state securities laws, or (2) exempt from such registration in the opinion of Company counsel.

10. Lock-Up Agreement. The Optionee hereby agrees that in the event that the Optionee exercises this Option during a period in which any directors or officers of the Company have agreed with one or more underwriters not to sell securities of the Company, then, upon request from the Company, as a condition to such exercise, the Optionee shall enter into an agreement, in form and substance satisfactory to the Company, pursuant to which the Optionee shall agree to restrictions on transferability of the Shares comparable to the restrictions agreed upon by such directors or officers of the Company.

11. Other Plans. No amounts of income received by the Optionee pursuant to this Grant Agreement shall be considered compensation for purposes of any pension or retirement plan, insurance plan or any other employee benefit plan of the Company or its subsidiaries, unless otherwise expressly provided in such plan.

12. No Guarantee of Continued Service. The Optionee acknowledges and agrees that the right to exercise the Option pursuant to the exercise schedule hereof is earned only by continuing employment or Service with the Company and/or its Subsidiaries (and not through the act of being hired, being granted an option or purchasing shares hereunder). The Optionee further acknowledges and agrees that (i) this Grant Agreement, the transactions contemplated hereunder and the exercise schedule set forth herein do not constitute an express or implied promise of continued employment or Service for the exercise period or for any other period, and shall not interfere with the Optionee's right or the right of the Company or its Subsidiaries to terminate the employment or Service relationship at any time, with or without cause, subject to the terms of any written employment agreement that the Optionee may have entered into with the Company or any of its Subsidiaries; and (ii) the Company would not have granted this Option to the Optionee but for these acknowledgements and agreements.

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13. Entire Agreement; Governing Law. The Plan is incorporated herein by reference. The Plan and this Grant Agreement constitute the entire agreement of the parties with respect to the subject matter hereof and supersede in their entirety all prior undertakings and agreements of the Company and the Optionee with respect to the subject matter hereof, and may not be modified adversely to the Optionee's interest except by means of a writing signed by the Company and the Optionee. In the event of any conflict between this Grant Agreement and the Plan, the Plan shall be controlling, except as otherwise specifically provided in the Plan. This Grant Agreement shall be construed under the laws of the State of Delaware, without regard to conflict of laws principles.

14. Opportunity for Review. Optionee and the Company agree that this Option is granted under and governed by the terms and conditions of the Plan and this Grant Agreement. The Optionee has reviewed the Plan and this Grant Agreement in their entirety, has had an opportunity to obtain the advice of counsel prior to executing this Grant Agreement and fully understands all provisions of the Plan and this Grant Agreement. The Optionee hereby agrees to accept as binding, conclusive and final all decisions or interpretations of the Committee upon any questions relating to the Plan and this Grant Agreement. The Optionee further agrees to notify the Company upon any change in the residence address indicated herein.

15. Section 409A. This Option is intended to be excepted from coverage under Section 409A and shall be administered, interpreted and construed accordingly. The Company may, in its sole discretion and without the Optionee's consent, modify or amend the terms of this Grant Agreement, impose conditions on the timing and effectiveness of the exercise of the Option by Optionee, or take any other action it deems necessary or advisable, to cause the Option to be excepted from Section 409A (or to comply therewith to the extent the Company determines it is not excepted).

[Signature Page Follows]

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IN WITNESS WHEREOF, the parties hereto have executed this Grant Agreement as of the date set forth in Exhibit A.

CORBUS PHARMACEUTICALS HOLDINGS, INC.

By: \_\_\_\_\_  
Name:  
Title:

OPTIONEE  
\_\_\_\_\_  
Name:

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EXHIBIT A

NONQUALIFIED STOCK OPTION GRANT AGREEMENT

CORBUS PHARMACEUTICALS HOLDINGS, INC.

- (a). **Optionee's Name:** \_\_\_\_\_
- (b). **Date of Grant:** \_\_\_\_\_
- (c). **Number of Shares Subject to the Option:** \_\_\_\_\_
- (d). **Exercise Price:** \$\_\_\_\_\_ per Share
- (e). **Expiration Date:** \_\_\_\_\_

\_\_\_\_\_(Initials)  
Optionee

\_\_\_\_\_(Initials)  
Company Signatory

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**RESTRICTED STOCK AGREEMENT**

**CORBUS PHARMACEUTICALS HOLDINGS, INC.**

**THIS RESTRICTED STOCK AGREEMENT** (the "Agreement") is made as of the \_\_\_ day of \_\_\_\_\_, \_\_\_\_ (the "Effective Date"), by and between Corbus Pharmaceuticals Holdings, Inc., a Delaware corporation (the "Company") and [•] (the "Participant").

WHEREAS, the Company maintains the Corbus Pharmaceuticals Holdings, Inc. 2014 Equity Compensation Plan (the "Plan");

WHEREAS, the Plan permits the grant of shares of Stock of the Company, subject to certain restrictions; and

WHEREAS, the Company desires to award the Participant the number of shares of Stock indicated below, subject to the restrictions, terms and conditions contained in the Plan and this Agreement.

NOW, THEREFORE, in consideration of these premises and the agreements set forth herein, the parties, intending to be legally bound hereby, agree as follows:

1. Award of Restricted Stock. Pursuant to the Plan, the Company hereby awards the Participant [•] shares of Stock (the "Restricted Stock"), subject to the restrictions, terms and conditions set forth in this Agreement and the Plan. The purchase price of the shares of Restricted Stock shall be \$0.

2. Vesting. The shares of Restricted Stock will vest, and cease to be Restricted Stock hereunder, in accordance with this Section 2.

(a) Time-Based Vesting. Except as otherwise provided in this Section 2, (i) twenty-five percent (25%) of the Restricted Stock shall vest on the first anniversary of the Effective Date, and (ii) the remaining seventy-five percent (75%) of the Restricted Stock shall vest in equal monthly installments on the next thirty-six (36) monthly anniversary dates thereafter; provided that the Participant remains in continuous employment or other service with the Company (or its Affiliates) through each applicable vesting date.

(b) All Unvested Shares Forfeited Upon Termination of Service Relationship. Except as otherwise provided in this Section 2, upon termination of the Participant's employment or other service with the Company and its Affiliates for any reason: (i) any shares of Restricted Stock that have not, on or prior to the date of such termination, become vested will immediately and automatically, without any action on the part of the Company, be forfeited and returned to the Company, without payment therefore by the Company, and (ii) the Participant will have no further rights with respect to those shares. A military or sick leave or other bona fide leave shall not be deemed a termination of employment or other service, if it does not exceed the longer of (i) ninety (90) days or (ii) the period during which Participant's reemployment rights, if any, are guaranteed by statute or by contract.

3. Certificated Shares. The shares of Restricted Stock shall be issued in the form of certificated shares. The following legend will be placed on the certificate (in addition to any other legends that may be required to be placed on such certificates pursuant to the Plan, applicable law or otherwise):

**THE TRANSFERABILITY OF THIS CERTIFICATE AND THE SHARES REPRESENTED BY THIS CERTIFICATE ARE SUBJECT TO THE TERMS AND CONDITIONS OF THE CORBUS PHARMACEUTICALS HOLDINGS, INC. 2014 EQUITY COMPENSATION PLAN AND AN AWARD AGREEMENT ENTERED INTO BY THE REGISTERED OWNER AND CORBUS PHARMACEUTICALS HOLDINGS, INC. COPIES OF SUCH PLAN AND AGREEMENT ARE ON FILE IN THE OFFICES OF CORBUS PHARMACEUTICALS HOLDINGS, INC.**

If a certificate representing the shares of Restricted Stock is registered in the name of the Participant, the Company shall retain physical possession of the certificate while the shares of Restricted Stock remain unvested and the Participant shall be required to deliver a stock power to the Company, endorsed in blank, relating to the shares of Restricted Stock.

4. Restriction on Transfer of Unvested Shares. Except for the forfeiture of Restricted Stock to the Company in accordance herewith or the Plan, the Participant may not sell, pledge, assign, encumber, hypothecate, gift, transfer, bequeath, devise, donate or otherwise dispose of, in any way or manner whatsoever, whether voluntary or involuntary, any legal or beneficial interest in any of the Restricted Stock while the shares of Restricted Stock remain unvested. After any of shares of Restricted Stock vest pursuant to this Agreement, such shares will remain subject to the terms of the Plan.

5. Capital Changes. If, while any of the shares of Restricted Stock remain unvested, there occurs any merger, consolidation, reorganization, reclassification, recapitalization, stock split, stock dividend, or other similar change in the Stock, then any and all new, substituted or additional securities or other consideration to which the Participant is entitled by reason of the Participant's ownership of the Restricted Stock will thereafter be included in the term "Restricted Stock" for all purposes of the Plan and this Agreement.

6. Tax Consequences. **CERTAIN FEDERAL INCOME TAX CONSEQUENCES RELATING TO THE GRANT AND VESTING OF THE RESTRICTED STOCK, AS OF THE EFFECTIVE DATE, ARE SUMMARIZED BELOW. THE FOLLOWING DESCRIPTION OF FEDERAL INCOME TAX CONSEQUENCES IS NECESSARILY INCOMPLETE (AS THE TAX LAWS AND REGULATIONS ARE SUBJECT TO CHANGE). MOREOVER, THIS SUMMARY ONLY ADDRESSES THE FEDERAL INCOME TAX CONSEQUENCES UNDER THE LAWS OF THE UNITED STATES, AND DOES NOT ADDRESS WHETHER AND HOW THE TAX LAWS OF ANY OTHER JURISDICTION MAY APPLY TO THE RESTRICTED STOCK OR TO THE PARTICIPANT. ACCORDINGLY, THE PARTICIPANT SHOULD CONSULT A TAX ADVISER REGARDING THE FEDERAL, STATE, LOCAL AND FOREIGN TAX CONSEQUENCES OF THE TRANSACTIONS CONTEMPLATED BY THIS AGREEMENT.**

The Participant may file an election (an "Election") with the Internal Revenue Service ("IRS"), within 30 days of the issuance of the Restricted Stock, electing pursuant to Section 83(b) of the Internal Revenue Code of 1986, as amended (the "Code"), to be taxed currently on any difference between the fair market value of the Restricted Stock and the purchase price of the Restricted Stock on the date of grant. Absent such an election, taxable income will be measured and recognized by the Participant at the time or times at which the forfeiture restrictions on the Restricted Stock lapses. A form of Election under Section 83(b) is attached hereto as Exhibit A for reference. If the Participant files an Election under Section 83(b) of the Code with the IRS, the Participant agrees to promptly furnish a copy of such Election to the Company.

7. Additional Documents. As a condition to the receipt of the shares of Restricted Stock granted hereby:

(a) If requested by the Company, the Participant shall execute and become a party to such agreements as the Company requires; and

(b) the Participant agrees upon request to execute any further documents or instruments necessary or desirable to carry out the purposes or intent of this Agreement.

8. Vested Shares Remain Subject to Plan. Notwithstanding the vesting of any shares of Restricted Stock pursuant to Section 2, the Participant acknowledges and agrees that, in addition to the restrictions set forth herein, the shares will remain subject to the terms and conditions of the Plan.

9. Representations and Warranties. By executing this Agreement, the Participant hereby represents, warrants, covenants, acknowledges and/or agrees that:

(a) The Restricted Stock is being acquired for the Participant's own account, for investment purposes only, and not for the account of any other person, and not with a view to the distribution thereof within the meaning of the Securities Act of 1933, as amended (the "Securities Act");

(b) No other person (other than the Participant, his spouse and the Company) has or will have a direct or indirect beneficial interest in the Restricted Stock;

(c) The Restricted Stock has not been registered or qualified under the Securities Act or any state securities laws;

(d) There is no public market for the Restricted Stock, there can be no assurance that any such market will ever develop and, therefore, the Participant may be required to hold the Restricted Stock indefinitely;

(e) In addition to complying with other similar restrictions contained herein, the Participant will not sell, transfer, pledge, hypothecate or otherwise dispose of any interest in the Restricted Stock unless such interest is registered in accordance with the Securities Act and applicable state securities laws or an exemption from such registration is available and, if required by the Company, an opinion of counsel is delivered to the Company, in a form satisfactory to the Company, that such registration is not required; and

(f) The Company is under no obligation to register the Restricted Stock on behalf of the Participant or to assist the Participant in complying with any exemption from registration.

10. Lock-Up Agreement. The Participant hereby agrees that in the event that any directors or officers of the Company have agreed with one or more underwriters not to sell securities of the Company, then the Participant, upon request from the Company, shall enter into an agreement, in form and substance satisfactory to the Company, pursuant to which the Participant shall agree to restrictions on transferability of the Restricted Stock, whether or not then vested, comparable to the restrictions agreed upon by such directors or officers of the Company.

11. General Provisions.

(a) The Participant agrees to be bound by the terms and conditions of the Plan, which are incorporated herein by reference and which control in case of any conflict with this Agreement.

(b) Capitalized terms used but not defined herein will have the same meaning as defined in the Plan.

(c) This Agreement, together with the Plan, represents the entire agreement between the parties and supersedes any prior agreement, written or otherwise, relating to the subject matter hereof. This Agreement may not be amended except by written instrument signed by each of the parties hereto.

(d) Any notice required or permitted to be given by either the Company or the Participant pursuant to the terms of this Agreement shall be in writing and shall be deemed given on the date and at the time delivered via personal, courier or recognized overnight delivery service or, if sent via telecopier, on the date and at the time telecopied with confirmation of delivery or, if mailed, on the date five (5) days after the date of the mailing (which shall be by regular, registered or certified mail). Delivery of a notice by telecopy (with confirmation) shall be permitted and shall be considered delivery of a notice notwithstanding that it is not an original that is received. If directed to the Participant, any such notice shall be sent to the address on file with the Company, or to such other address as the Participant may hereafter specify in writing. If directed to the Company, any such notice shall be sent to the Company's principal executive office, c/o the Company's Secretary, or to such other address or person as the Company may hereafter specify in writing.

(e) Neither this Agreement nor any rights or interest hereunder shall be assignable by the Participant, his beneficiaries or legal representatives, and any purported assignment in violation hereof shall be null and void.

(f) Either party's failure to enforce any provision or provisions of this Agreement shall not in any way be construed as a waiver of any such provision or provisions, nor prevent that party thereafter from enforcing each and every other provision of this Agreement. The rights granted both parties herein are cumulative and shall not constitute a waiver of either party's right to assert all other legal remedies available to it under the circumstances.

(g) The grant of Restricted Stock hereunder will not confer upon the Participant any right to continue in the employment or other service of the Company or any of its Affiliates.

(h) This Agreement shall be governed by and construed in accordance with the laws and judicial decisions of the State of Delaware, without regard to the application of the principles of conflicts of laws of Delaware or any other jurisdiction.

(i) This Agreement may be executed in one or more counterparts, each of which shall be deemed an original, and all of which together shall be deemed to be one and the same instrument.

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

**CORBUS PHARMACEUTICALS HOLDINGS, INC.**

By: \_\_\_\_\_  
Name:  
Title:

**[PARTICIPANT]**

\_\_\_\_\_



**EXHIBIT A**

**ELECTION UNDER SECTION 83(b)  
OF THE INTERNAL REVENUE CODE OF 1986**

The undersigned taxpayer hereby makes an election pursuant to Section 83(b) of the Internal Revenue Code of 1986, as amended, and the Treasury Regulations thereunder (the "Regulations"), and in connection with this election supplies the following information:

1. The name, address and taxpayer identification number of the undersigned are:

[Name]

[Address]

Social Security Number: \_\_\_\_\_ - \_\_\_\_ - \_\_\_\_\_

2. The election is being made with respect to [•] shares of common stock (the "Stock") of Corbus Pharmaceuticals Holdings, Inc., a Delaware corporation (the "Company").

3. The date on which the Stock was transferred to the undersigned was [\_\_\_\_\_]. The taxable year for which this election is being made is calendar year [\_\_\_\_\_].

4. The property is subject to the following restrictions:

The above-mentioned shares may not be transferred and are subject to forfeiture under the terms of an agreement between the taxpayer and the Company. These restrictions lapse upon the satisfaction of certain conditions contained in such agreement.

Disposition of the Stock is also subject to restrictions imposed under applicable federal and state securities laws regulating the transfer of unregistered securities.

5. The fair market value of the Stock at the time of transfer (determined without regard to any lapse restriction, as defined in §1.83-3(i) of the Regulations) was \$[•].

6. The undersigned did not pay any amount for the Stock. Therefore, \$[•] (the full fair market value of the Stock stated above) is includible in the undersigned's gross income as compensation for services.

7. A copy of this election has been furnished to the Company [and to the transferee of the Stock, if different from the taxpayer] as required by §1.83-2(d) of the Regulations.

Dated: \_\_\_\_\_

\_\_\_\_\_  
[taxpayer signature]

## INSTRUCTIONS FOR FILING SECTION 83(B) ELECTION

Attached is a form of election under section 83(b) of the Internal Revenue Code. If you wish to make such an election, you should complete, sign and date the election and then proceed as follows:

1. Execute three counterparts of your completed election (plus one extra counterpart for each person other than you, if any who receives property that is the subject of your election), retaining at least one photocopy for your records.
2. Send one counterpart to the Internal Revenue Service Center with which you will file your Federal income tax return for the current year via certified mail, return receipt requested. **THE ELECTION SHOULD BE SENT IMMEDIATELY, AS YOU ONLY HAVE 30 DAYS FROM THE ISSUANCE/PURCHASE/GRANT DATE WITHIN WHICH TO MAKE THE ELECTION – NO WAIVERS, LATE FILINGS OR EXTENSIONS ARE PERMITTED.**
3. Deliver one counterpart of the completed election to the Company for its files.
4. If anyone other than you (e.g., one of your family members) will receive property that is the subject of your election, deliver one counterpart of the completed election to each such person.
5. Attach one counterpart of the completed election to your Federal income tax return for this year when you file that return next year.

**EMPLOYMENT AGREEMENT**

This Employment Agreement, effective as of April 11, 2014 (the "**Effective Date**"), is between Corbus Pharmaceuticals Holdings, Inc. (the "**Company**") and Yuval Cohen (the "**Executive**").

For good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged the parties hereto agree as follows:

1. **EMPLOYMENT.** Subject to the terms and conditions set forth herein, the Company hereby employs the Executive, and the Executive hereby accepts such employment by the Company commencing on the Effective Date.
2. **SCOPE OF EMPLOYMENT.** During the term of this Agreement, Executive shall hold the position of Chief Executive Officer and shall have those duties and responsibilities customarily associated with the title of Chief Executive Officer plus any additional duties as may reasonably be assigned to him from time to time by the Company. The Executive shall report directly to both the President and the Board of Directors. The Executive will devote his full time and best efforts to the business and affairs of the Company. The Executive shall be subject to and comply with the Company's policies, procedures and approval practices as generally in effect at any time and from time to time.
3. **PREVIOUS OBLIGATIONS.** The Executive represents that his employment by the Company and the performance of his duties on behalf of the Company does not, and shall not, breach any agreement that obligates the Executive to keep in confidence any trade secrets or confidential or proprietary information of any other party or to refrain from competing, directly or indirectly, with the business of any other party. The Executive shall not disclose to the Company any trade secrets or confidential or proprietary information of any other party.
4. **COMPENSATION.** As full compensation for all services to be rendered by Executive during the term of this Agreement, the Company will compensate the Executive as follows.
  - 4.1 **Base Salary.** The Company shall pay the Executive the base (the "**Base Salary**") at the annualized rate of \$240,000, which shall be subject to customary withholdings and authorized deductions and shall be payable in equal installments in accordance with the Company's customary payroll practices in place from time to time. The Executive's Base Salary shall be subject to review on at least an annual basis.
  - 4.2 **Annual Bonus.**
    - (a) The Executive will be eligible to participate in an annual executive bonus plan pursuant to which he may earn a bonus ("**Bonus**") equal to up to 33% of his Base Salary (such maximum bonus may be referred to as the "**Target Bonus**").

- (b) Prior to the commencement of each calendar year the Company's Board of Directors (the "**Board**") will establish and approve the Target Bonus for such calendar year. Achievement of the Target Bonus will be based on the Executive meeting individual objectives and the Company meeting company-wide objectives (collectively, the "**Performance Criteria**").
  - (c) The Board may, in its discretion, grant the Executive a Bonus in excess of the Target Bonus if the Performance Criteria are exceeded.
  - (d) Following the close of each calendar year but in no event later than January 30th, the Board will meet and determine the extent to which the Performance Criteria have been achieved for such year and the amount of the Bonus. Based on that determination, payment of the Bonus (if any) shall be made by March 15th.
  - (e) Notwithstanding the foregoing to the contrary (including all Performance Criteria being met), payment of the Bonus shall be at the discretion of the Board based on the financial condition of the Company.
- 4.3 Signing Bonus.** Within thirty (30) days following the Effective Date, the Company will pay to the Executive in a lump sum the amount of \$50,000 as a signing bonus.
- 4.4 Stock Option Grants.** Subject to the terms of the Corbus Pharmaceuticals Holdings, Inc. 2014 Equity Compensation Plan (the "**2014 Plan**") and approval of the Board, upon or immediately following the initial closing of the private placement of units consisting of shares of Common Stock and warrants to purchase Common Stock pursuant to the Private Placement Memorandum of Corbus Pharmaceuticals Holdings, Inc. dated March 27, 2014, the Executive will be granted options to purchase up to 312,728 shares of the Company's common stock at an exercise price of \$1.00 per share. In addition, options to purchase shares of the Company's common stock pursuant to the 2014 Plan have been substituted for options previously granted to the Executive by JB Therapeutics, Inc. ("**JBT**") in accordance with the terms of the Agreement and Plan of Merger dated as of March 27, 2014 among the Company, JBT and Corbus Pharmaceuticals Acquisition, Inc. During the Term, subject to the terms of the 2014 Plan or any successor equity compensation plan as may be in place from time to time and separate award agreements, the Executive also shall be eligible to receive from time to time additional stock options or other awards in amounts, if any, to be approved by the Board or the Compensation Committee in its discretion.
- 4.5 Benefits.** During his employment and subject to any contribution therefore generally required of employees of the Company, the Executive shall be entitled to participate in any and all employee benefit plans from time to time in effect for executive employees of the Company generally. Such participation shall be subject to (i) the terms of the applicable plan documents, (ii) generally applicable policies of the Company and (iii) the discretion of the Board or any administrative or other committee provided for in or contemplated by such plan. The Company may alter, modify, add to or delete its employee benefit plans at any time as it, in its sole judgment, deems appropriate.

- 4.6 **Vacations and Holidays.** During the term of his employment, the Executive shall be entitled to 15 paid days off (none of which may be carried over from one year to the next) as well as those paid public holidays provided for in the Company's standard policies, as they may be amended from time to time.
- 4.7 **Changes to Compensation.** After the Initial Term (as defined below), the Company may, at its sole discretion, change the terms of the Executive's compensation (other than the terms and conditions of outstanding options or other awards under the 2014 Plan which shall continue to be governed by the applicable award agreements and the 2014 Plan). The Company shall give the Executive at least 14 days' prior written notice of any such changes.
5. **EXPENSES.** The Executive shall be entitled to reimbursement by the Company for all necessary and reasonable travel, entertainment and other business expenses incurred by him in connection with his duties hereunder. The Company shall reimburse the Executive for all such expenses upon presentation of an itemized account and appropriate supporting documentation, all in accordance with the Company's generally applicable policies as in effect from time to time.
6. **CONFIDENTIALITY.**
- 6.1 **Definition.** During the term of his employment, the Executive will have access to the Company's confidential business information (the "**Confidential Information**"). The definition of Confidential Information includes any information regarding the Company or its affiliates that is not generally available to the public. By way of example not limitation, Confidential Information includes inventions, designs, data, computer code, works of authorship, know-how, trade secrets, formulas, compounds, indications, techniques, ideas, discoveries, products and services under development, employee, investor, customer and vendor information of any kind, marketing and business plans and financial information of any kind including pricing and profit margins.
- 6.2 **Ownership of Confidential Information.** The Confidential Information (and all documents containing Confidential Information) is and will, as between the Executive and the Company, be the sole property of the Company.
- 6.3 **Protection and Use of Confidential Information.** The Executive shall preserve and protect the confidentiality and security of the Confidential Information. At all times during and after his employment by the Company and thereafter, the Executive will protect and not disclose to any third party any Confidential Information. The Executive shall not use the Confidential Information or make any use of, the Confidential Information, except in connection with the performance of his duties for the Company and for no other purpose or person.

- 6.4 **Return of Confidential Information.** Upon request of the Company, the Executive will promptly (i) deliver to the Company all documents and other tangible media in the Executive's possession or control that evidence, contain or reflect Confidential Information (including all copies, reproductions, digests, abstracts, analyses, and notes) and (ii) destroy any intangible materials that evidence, contain or reflect Confidential Information on equipment or media not owned by the Company.

7. **ASSIGNMENT OF WORK PRODUCT.**

- 7.1 **Definitions.** The following capitalized terms shall have the meanings assigned to them below:

"**Intellectual Property**" means collectively all Work Product and all Intellectual Property Rights relating to all Work Product.

"**Intellectual Property Rights**" means all copyrights, copyright registrations and copyright applications, trademarks, service marks, trade dress, trade names, trademark registrations and trademark applications, patents and patent applications, trade secret rights, and all other rights and interests existing, created or protectable under any intellectual property or other law of any nation.

"**Work Product**" means any and all inventions, discoveries, original works of authorship, developments, improvements, formulas, compounds, indications, techniques, concepts, data and ideas (whether or not patentable or registerable under patent, copyright, or similar statute) made, conceived, prepared, created, discovered, or reduced to practice by the Executive, either alone or jointly with others during the period of his employment, that (i) result or relate to work performed by the Executive for the Company, (ii) are made by use of the equipment, supplies, facilities or Confidential Information, or are made, conceived or completed, wholly or in part, during hours in which the Executive is employed by the Company, or (iii) are related to the business of the Company or the actual or demonstrably anticipated business of the Company.

- 7.2 **Property of the Company.** All Intellectual Property is and will be the sole property of the Company.

- 7.3 **Copyrights; Assignment.** The Executive agrees that all copyrightable materials that fall within the definition of Work Product, will be, to the maximum extent permitted by law, works-made-for-hire for the Company under copyright law, and to the extent not works-made-for-hire, the Executive hereby assigns to the Company, without royalty or further consideration to the Executive, all right, title, and interest he may have, or may acquire, in and to all Intellectual Property.

- 7.4 **Disclosure.** The Executive will promptly disclose in writing all Work Product to the Company. The Executive agrees to keep adequate and current written records of all such Work Product, in the form of notes, sketches, drawings, electronic records and/or other reports, which records are, and will remain, the sole property of the Company and will be available to the Company at all times.
- 7.5 **Execution of Documents.** Whenever requested by the Company, both during the period of the Executive's employment and thereafter, the Executive will promptly sign and deliver to the Company any and all applications, assignments and other documents that the Company considers necessary or desirable in order to: (a) assign, apply for, obtain, and maintain any Intellectual Property Rights in the United States and for other countries relating to any Work Product, (b) assign and convey to the Company or its designee the sole and exclusive right, title, and interest in and to all Intellectual Property, (c) provide evidence regarding the Intellectual Property that the Company considers necessary or desirable, and (d) confirm the Company's ownership of the Intellectual Property, all without royalty or any other further consideration to the Executive.
- 7.6 **Assistance to the Company.** Whenever requested by the Company, both during the period of the Executive's employment and thereafter, the Executive will assist the Company in assigning, obtaining, maintaining, defending, registering and from time to time enforcing, in any and all countries, the Company's right to the Intellectual Property. This assistance may include, without limitation, testifying in a suit or other proceeding. If the Company requires assistance from the Executive after termination of his employment, the Executive will be compensated for time actually spent in providing assistance at an hourly rate equivalent to his compensation at the time his employment was terminated together with his reasonable, actual out-of-pocket expenses incurred in providing such assistance.
- 7.7 **Power of Attorney.** For use in the case that the Company cannot obtain the Executive's signature on any document that the Company considers necessary or desirable in order to assign, apply for, prosecute, obtain, or enforce any Intellectual Property, whether due to the Executive's non-cooperation, unavailability, or any other reason, the Executive hereby irrevocably designates and appoints the Company and each of its duly authorized officers and agents as his agent and attorney-in-fact to act for, and on the Executive's behalf, to execute and file any such document and to do all other lawfully permitted acts to further the assignment, transfer to the Company, application, registration, prosecution, issuance, and enforcement of all Intellectual Property, with the same force and effect as if executed and delivered by the Executive.

**7.8** **Prior Inventions.** The Executive represents that any inventions, original works of authorship, discoveries, concepts or ideas, if any, to which the Executive presently has any right, title or interest, and which were previously conceived either wholly or in part by the Executive, and that the Executive desires to exclude from the operation of this Agreement are identified on Schedule A of this Agreement (each a “**Prior Invention**”). The Executive represents that the list contained in Schedule A is complete to the best of his knowledge. If during the Executive’s retention with the Company, the Executive incorporates a Prior Invention into a Company product, process or service or its use, the Executive shall be deemed to have automatically granted to the Company a nonexclusive, royalty-free, irrevocable, perpetual, worldwide license to make, have made, modify, display, perform sell and otherwise use such Prior Invention as part of or in connection with any Company product, process or service. The Executive shall not incorporate a Prior Invention into a Company product, process or service or its use without the Company’s prior written consent.

**8. NON-COMPETITION; NON-SOLICITATION.**

**8.1** **Non-competition.** During the Restricted Period (as defined below), the Executive shall not directly or indirectly (i) serve as a partner, principal, shareholder, licensor, licensee, employee, officer, director, manager, agent, representative, advisor, promoter, associate, investor, or otherwise for any Competitive Business (as defined below), (ii) build, design, finance, acquire, lease, operate, manage, control, invest in, work, or consult for or otherwise join, participate in, or affiliate himself with, any Competitive Business or (iii) take any preparatory steps with respect to any of the foregoing. The foregoing covenant shall cover the Executive’s activities in every part of the world. The foregoing shall not apply to the Executive’s ownership of shares in a publicly-traded entity in which the Executive does not materially participate and in which the Executive’s ownership interest is one percent (1%) or less.

**8.2** **Certain Definitions.** The following capitalized terms shall have the meanings assigned to them below:

“**Competitive Business**” means any business that is developing a cannabinoid agonist for the treatment of scleroderma, cystic fibrosis or other inflammatory or fibrotic diseases.

“**Restricted Period**” means the period commencing on the Effective Date and continuing thereafter for a period of 12 months following the termination of the Executive’s employment hereunder.

**8.3** **Non-Solicitation.** During the Restricted Period, the Executive shall not, directly or indirectly, whether on behalf of himself or anyone else: (i) induce or attempt to induce a business associate of the Company to refrain from doing business with the Company; (ii) use for his benefit or disclose the name and/or requirements of any such business associate to any other person or persons, natural or corporate; or (iii) solicit any of the employees of the Company to leave the employ of the Company or hire anyone who is an employee of the Company or has worked for the Company during the previous 12 months.



- 8.4** **Extension of Restriction Period.** The Restricted Period shall be extended by the length of any period during which the Executive is in breach of the terms and conditions of this Section 8.
- 8.5** **Separate Covenants.** The Executive acknowledges and agrees that the covenants set forth in this Section 8 are an essential element of this Agreement and the transactions contemplated hereby and that, but for the agreement of the Executive to comply with such covenants, the Company would not have entered into this Agreement. The Executive acknowledges and agrees that the provisions of this Section 8 constitutes an independent agreement and shall not be affected by the performance or non-performance of any other provision of this Agreement by the Company.
- 8.6** **Blue Pencil Provision.** The parties hereby expressly agree that the duration, scope and geographic area of restriction set forth in this Section 8 are reasonable. In the event that any court of competent jurisdiction shall hold that the duration, scope or area of restriction set forth in this Section 8 is unreasonable under circumstances now or hereafter existing, the maximum duration, scope or area of restriction reasonable under such circumstances shall be substituted, and each party hereto shall petition any such court to cause the maximum duration, scope or area of restriction reasonable under such circumstances to be so substituted for the duration, scope or area of restriction set forth herein.
- 9.** **INJUNCTIVE RELIEF.** The Executive acknowledges that the Company shall not have an adequate remedy in the event that the Executive breaches Section 6, 7, 8 or 12 of this Agreement and that the Company will suffer irreparable damage and injury in such event. The Executive agrees that the Company, in addition to any other available rights and remedies, shall be entitled to seek an injunction (without the necessity of posting a bond) restraining the Executive from committing or continuing any violation of Section 6, 7, 8 or 12 of this Agreement.
- 10.** **TERM; TERMINATION.**
- 10.1** **Term.** Unless earlier terminated in accordance with the provisions of this Section 10, the term of this Agreement shall commence on the Effective Date and shall continue thereafter for a period of two (2) years (the "**Initial Term**"). If the Company continues to employ the Executive after the expiration of the Initial Term without a written extension of the term, such employment shall continue on an AT-WILL basis and the Company shall have the right to terminate this Agreement and the Executive's employment at any time subject to the notice provisions set forth in Section 10.5 below.
- 10.2** **Death.** Upon the death of the Executive, the Executive's employment with the Company shall terminate.

- 10.3 Disability.** If the Executive is unable to perform the essential functions of Employee's employment with the Company for more than twelve weeks (unless a longer period is required by state or federal law), the Company shall have the right to terminate the Executive's employment upon prior written notice
- 10.4 Termination by the Executive.** The Executive may terminate this Agreement and his employment hereunder with or without Good Reason (as defined below) upon 30 days prior written notice to the Company.
- 10.5 Termination by Company.** The Company may terminate this Agreement and the Executive's employment hereunder (i) without Cause upon 30 days prior written notice to the Executive or (ii) immediately for Cause.
- 10.6 Certain Definitions.** The following capitalized terms shall have the meanings assigned to them below:

**"Cause"** means: (i) the Executive's chronic failure to perform those material duties assigned to him pursuant to Section 2 above to the reasonable satisfaction of the Board after written notice thereof and a reasonable opportunity to respond and/or cure of not less than 30 days; (ii) the Executive's gross negligence or misconduct (including but not limited to acts of fraud or theft or the violation of applicable laws) in connection with the performance of his duties; (iii) the Executive's material breach of Section 6, 7 or 8 above; (iv) the Executive's commission of an act of moral turpitude; (v) the Executive being dependent on or addicted to alcohol or drugs; or (vi) the Executive's conviction of or plea of nolo contendere to a felony.

**"Good Reason"** means the voluntary termination by the Executive within thirty (30) days following: (i) a requirement that the Executive physically relocates to another office that is more than 75 miles from the office location that the Executive reported to at the commencement of his employment with the Company; (ii) a reduction in the Executive's rate of compensation, potential incentive compensation, or general benefits (other than general changes, in each case, affecting all similarly situated employees to substantially the same extent); or (iii) a material adverse change in the Executive's job description or a significant reduction of the scope of the Executive's authority or responsibilities.

## **11. EFFECT OF TERMINATION**

- 11.1 Payments Upon Termination.** In the event that the Executive's employment with the Company is terminated for any reason, the Executive shall have the right to receive (i) the compensation and reimbursable expenses then accrued and/or earned and unpaid under Sections 4.1 and 5 of this Agreement through the date of termination, (ii) payment for unused vacation days accrued through the date of termination and (iii) any benefits required by the Consolidated Omnibus Budget Reconciliation Act of 1985.

- 11.2 Additional Payments.** Subject to Sections 11.3 and 11.4, in the event that the Executive's employment with the Company is terminated by the Company without Cause or by the Executive for Good Reason during the Initial Term, (A) the Company shall (i) pay to the Executive an amount equal to twelve months of his then current Base Salary under Section 4.1 above (less applicable withholdings and authorized deductions), to be paid in equal installments bimonthly in accordance with the Company's customary payroll practices, commencing sixty (60) days following the date of termination of employment and (ii) if the Executive then participates in the Company's medical and/or dental plans and the Executive timely elects to continue and maintain group health plan coverage pursuant to COBRA, reimburse the Executive for the cost of health insurance under COBRA for a period of twelve months; provided, however, that if and to the extent that the Company may not provide such COBRA reimbursement without incurring tax penalties or violating any requirement of the law, the Company shall use its commercially reasonable best efforts to provide substantially similar assistance in an alternative manner, provided that the cost of doing so does not exceed the cost that the Company would have incurred had the COBRA reimbursement been provided in the manner described above or cause a violation of Section 409A (as defined below), and (B) if the Executive is entitled to a Bonus, subject to the Board's discretion and approval as set forth in Section 4.2 above, the Company shall pay such Bonus in accordance with the terms of the applicable plan and on the same basis as other participants in the plan except that the Bonus amount shall be prorated (based on the percentage of days the Executive was employed relative to the total number of days in the bonus earning period). Notwithstanding anything to the contrary contained herein, to the extent the Company immediately terminates the Executive's employment in lieu of the 30 day notice period referenced in Section 10.5 above, such 30 day notice period shall be deemed to be included in the period of payments and benefits provided for in this Section 11.2 (and no additional compensation shall be provided for such a notice period).
- 11.3 Release Agreement.** In order to receive the payments and benefits set forth in Section 11.2 (collectively referred to herein as the "**Severance Payments**"), the Executive must timely execute (and not revoke) a separation agreement and general release (the "**Release Agreement**") in a customary form as is determined to be reasonably necessary by the Company in its good faith and reasonable discretion. If the Executive is eligible for Severance Payments pursuant to Section 11.2, the Company will deliver the Release Agreement to the Executive within seven (7) calendar days following the date of termination of employment. The Severance Payments are subject to the Executive's execution and delivery of such Release Agreement within 45 days of the Executive's receipt of the Release Agreement and the Executive's non-revocation of such Release Agreement.
- 11.4 Post-Termination Breach.** Notwithstanding anything to the contrary contained in this Agreement, the Company's obligation to provide the Severance Payments will immediately cease if the Executive breaches any of the provisions of Sections 6, 7 or 8, the Release Agreement or any other Agreement the Executive has with the Company.

**11.5 No Other Payments or Benefits.** The Executive acknowledges and agrees that upon the termination of his employment, no other benefits, compensation or remuneration of any kind is owed by the Company to the Executive other than as set forth in this Section 11 or as set forth in the Option Agreements.

**11.6 Survival.** Notwithstanding anything to the contrary set forth herein, Sections 6, 7, 8, 9 and 11-19 of this Agreement and any remedies for the breach thereof, shall survive the termination of this Agreement under the terms hereof. Termination of this Agreement shall not relieve or release either party from any rights, liabilities or obligations which it/he has accrued prior the effective date of such termination.

**12. RETURN OF COMPANY PROPERTY; EXIT INTERVIEW.** Upon termination of the Executive's employment with the Company for any reason, the Executive will promptly:

- (a) Deliver to the Company all documents and other tangible media in the Executive's possession or control that evidence, contain or reflect (A) Confidential Information or (B) Work Product, in each case whether prepared by the Executive or otherwise coming into the Executive's possession or control;
- (b) Destroy any intangible materials that evidence, contain or reflect Confidential Information or Work Product on equipment or media not owned by the Company; and
- (c) Return to the Company all equipment, files, software programs and other personal property belonging to the Company.

Upon termination of the Executive's employment with the Company for any reason, the Executive will attend an exit interview with a representative of the Company to review the Executive's continuing obligations under this Agreement.

**13. ENTIRE AGREEMENT.** This Agreement constitutes the entire agreement between the parties with respect to the subject matter hereof and supersedes all contemporaneous and prior agreements and understandings between them as to such subject matter. Not in limitation of the foregoing, this Agreement supersedes the Employment Agreement between the Executive and JBT dated January 6, 2014, which has been terminated. Except as otherwise expressly provided herein, this Agreement may not be amended except by an instrument in writing executed by the Company and the Executive.

**14. ASSIGNMENT.** The Executive shall not be permitted to assign this Agreement or any rights or obligations hereunder without the prior written consent of the Company.

15. **GOVERNING LAW; JURISDICTION.** This Agreement shall be construed and enforced in accordance with and governed by the laws of the Commonwealth of Massachusetts without giving effect to the principles of conflicts of laws thereof. The parties hereby consent and submit to the exclusive jurisdiction and venue of the courts located in Boston, Massachusetts in connection with any actions or proceedings brought against either of them (or each of them) arising out of or relating to this Agreement.
16. **MISCELLANEOUS.** No waiver by either party of any term or condition of this Agreement, whether by conduct or otherwise, in any one or more instance, shall be deemed a continuing waiver of any such term or condition, or a waiver of any other term or condition of this Agreement. Headings set forth in this Agreement are solely for the convenience of the parties and have no legal effect. If any provision of this Agreement shall be found to be invalid by any court having competent jurisdiction, the invalidity of such provision shall not affect the validity of the remaining provisions hereof. This Agreement shall be (i) binding upon, and will inure to the benefit of, the parties and their permitted respective successors and assigns, (ii) construed without presumption of any rule requiring construction to be made against the party causing it to be drafted and (iii) executed in any number of counterparts, each of which will for all purposes be deemed to be an original, and all of which are identical.
17. **TAX WITHHOLDING.** The Company or other payor is authorized to withhold from any benefit provided or payment due hereunder, the amount of withholding taxes due any federal, state or local authority in respect of such benefit or payment and to take such other action as may be necessary in the opinion of the Board to satisfy all obligations for the payment of such withholding taxes. The Executive will be solely responsible for all taxes assessed against him with respect to the compensation and benefits described in this Agreement, other than typical employer-paid taxes such as FICA, and the Company makes no representations as to the tax treatment of such compensation and benefits.

18. **SECTION 409A COMPLIANCE.** All payments under this Agreement are intended to comply with or be exempt from the requirements of Section 409A of the Code and regulations promulgated thereunder (“Section 409A”). As used in this Agreement, the “Code” means the Internal Revenue Code of 1986, as amended. To the extent permitted under applicable regulations and/or other guidance of general applicability issued pursuant to Section 409A, the Company reserves the right to modify this Agreement to conform with any or all relevant provisions regarding compensation and/or benefits so that such compensation and benefits are exempt from the provisions of 409A and/or otherwise comply with such provisions so as to avoid the tax consequences set forth in Section 409A and to assure that no payment or benefit shall be subject to an “additional tax” under Section 409A. To the extent that any provision in this Agreement is ambiguous as to its compliance with Section 409A, or to the extent any provision in this Agreement shall be modified to comply with Section 409A, such provision shall be read in such a manner so that no payment due to the Executive shall be subject to an “additional tax” within the meaning of Section 409A(a)(1)(B) of the Code. If necessary to comply with the restriction in Section 409A(a)(2)(B) of the Code concerning payments to “specified employees,” any payment on account of the Executive’s separation from service that would otherwise be due hereunder within six (6) months after such separation shall be delayed until the first business day of the seventh month following the date of termination of employment and the first such payment shall include the cumulative amount of any payments (without interest) that would have been paid prior to such date if not for such restriction. Each payment in a series of payments hereunder shall be deemed to be a separate payment for purposes of Section 409A. In no event may the Executive, directly or indirectly, designate the calendar year of payment. All reimbursements provided under this Agreement shall be made or provided in accordance with the requirements of Section 409A, including, where applicable, the requirement that (i) any reimbursement is for expenses incurred during the Executive’s lifetime (or during a shorter period of time specified in this Agreement), (ii) the amount of expenses eligible for reimbursement during a calendar year may not affect the expenses eligible for reimbursement in any other calendar year, (iii) the reimbursement of an eligible expense will be made on or before the last day of the calendar year following the year in which the expense is incurred, and (iv) the right to reimbursement is not subject to liquidation or exchange for another benefit. Notwithstanding anything contained herein to the contrary, the Executive shall not be considered to have terminated employment with the Company for purposes of Section 11.2 unless the Executive would be considered to have incurred a “termination of employment” from the Company within the meaning of Treasury Regulation §1.409A-1(h)(1)(ii). In no event whatsoever shall the Company be liable for any additional tax, interest or penalty that may be imposed on the Executive by Section 409A or damages for failing to comply with Section 409A.

19. **280G MODIFIED CUTBACK.**

- (a) If any payment, benefit or distribution of any type to or for the benefit of the Executive, whether paid or payable, provided or to be provided, or distributed or distributable pursuant to the terms of this Agreement or otherwise (collectively, the “Parachute Payments”) would subject the Executive to the excise tax imposed under Section 4999 of the Code (the “Excise Tax”), the Parachute Payments shall be reduced so that the maximum amount of the Parachute Payments (after reduction) shall be one dollar (\$1.00) less than the amount which would cause the Parachute Payments to be subject to the Excise Tax; provided that the Parachute Payments shall only be reduced to the extent the after-tax value of amounts received by the Executive after application of the above reduction would exceed the after-tax value of the amounts received without application of such reduction. For this purpose, the after-tax value of an amount shall be determined taking into account all federal, state, and local income, employment and excise taxes applicable to such amount. Unless the Executive shall have given prior written notice to the Company to effectuate a reduction in the Parachute Payments if such a reduction is required, which notice shall be consistent with the requirements of Section 409A to avoid the imputation of any tax, penalty or interest thereunder, then the Company shall reduce or eliminate the Parachute Payments by first reducing or eliminating accelerated vesting of stock options or similar awards, then reducing or eliminating any cash payments (with the payments to be made furthest in the future being reduced first), then by reducing or eliminating any other remaining Parachute Payments; provided, that no such reduction or elimination shall apply to any non-qualified deferred compensation amounts (within the meaning of Section 409A) to the extent such reduction or elimination would accelerate or defer the timing of such payment in manner that does not comply with Section 409A.

- (b) An initial determination as to whether (x) any of the Parachute Payments received by the Executive in connection with the occurrence of a change in the ownership or control of the Company or in the ownership of a substantial portion of the assets of the Company shall be subject to the Excise Tax, and (y) the amount of any reduction, if any, that may be required pursuant to the previous paragraph, shall be made by an independent accounting firm selected by the Company (the “Accounting Firm”) prior to the consummation of such change in the ownership or effective control of the Company or in the ownership of a substantial portion of the assets of the Company. The Executive shall be furnished with notice of all determinations made as to the Excise Tax payable with respect to the Executive’s Parachute Payments, together with the related calculations of the Accounting Firm, promptly after such determinations and calculations have been received by the Company.
- (c) For purposes of this Section 19, (i) no portion of the Parachute Payments the receipt or enjoyment of which the Executive shall have effectively waived in writing prior to the date of payment of the Parachute Payments shall be taken into account; (ii) no portion of the Parachute Payments shall be taken into account which in the opinion of the Accounting Firm does not constitute a “parachute payment” within the meaning of Section 280G(b)(2) of the Code; (iii) the Parachute Payments shall be reduced only to the extent necessary so that the Parachute Payments (other than those referred to in the immediately preceding clause (i) or (ii)) in their entirety constitute reasonable compensation for services actually rendered within the meaning of Section 280G(b)(4) of the Code or are otherwise not subject to disallowance as deductions, in the opinion of the auditor or tax counsel referred to in such clause (ii); and (iv) the value of any non-cash benefit or any deferred payment or benefit included in the Parachute Payments shall be determined by the Company’s independent auditors based on Sections 280G and 4999 of the Code and the regulations for applying those sections of the Code, or on substantial authority within the meaning of Section 6662 of the Code.

IN WITNESS WHEREOF, the undersigned have executed this Employment Agreement as of the Effective Date.

CORBUS PHARMACEUTICALS HOLDINGS, INC.

By: \_\_\_\_\_  
Name: Mark Tepper, Ph.D.  
Title: President

By: \_\_\_\_\_  
Yuval Cohen  
Address: [\*]



**Schedule A**

**Executive Statement Regarding Prior Work Product**

Except as set forth below, the Executive acknowledges that at this time he has not made or reduced to practice (alone or jointly with others) any Work Product relevant to the subject matter of his retention by Corbus Pharmaceuticals Holdings, Inc. except those (if any) listed below:

*[List any applicable Work Product or write "None".]*

[If you need more space please attach a separate continuation sheet]

The Executive certifies that the foregoing is true, accurate and complete.

The Executive's Name: \_\_\_\_\_

Date: \_\_\_\_\_

Signature: \_\_\_\_\_

**EMPLOYMENT AGREEMENT**

This Employment Agreement, effective as of April 11, 2014 (the "**Effective Date**"), is between Corbus Pharmaceuticals Holdings, Inc. (the "**Company**") and Mark Tepper (the "**Executive**").

For good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged the parties hereto agree as follows:

1. **EMPLOYMENT**. Subject to the terms and conditions set forth herein, the Company hereby employs the Executive, and the Executive hereby accepts such employment by the Company commencing on the Effective Date.
2. **SCOPE OF EMPLOYMENT**. During the term of this Agreement, Executive shall hold the position of President and Chief Scientific Officer and shall have those duties and responsibilities customarily associated with the title of President and Chief Scientific Officer plus any additional duties as may reasonably be assigned to him from time to time by the Company. The Executive shall report directly to both the Chief Executive Officer and the Board of Directors. The Executive will devote his full time and best efforts to the business and affairs of the Company. The Executive shall be subject to and comply with the Company's policies, procedures and approval practices as generally in effect at any time and from time to time.
3. **PREVIOUS OBLIGATIONS**. The Executive represents that his employment by the Company and the performance of his duties on behalf of the Company does not, and shall not, breach any agreement that obligates the Executive to keep in confidence any trade secrets or confidential or proprietary information of any other party or to refrain from competing, directly or indirectly, with the business of any other party. The Executive shall not disclose to the Company any trade secrets or confidential or proprietary information of any other party.
4. **COMPENSATION**. As full compensation for all services to be rendered by Executive during the term of this Agreement, the Company will compensate the Executive as follows.
  - 4.1 **Base Salary**. The Company shall pay the Executive the base (the "**Base Salary**") at the annualized rate of \$240,000, which shall be subject to customary withholdings and authorized deductions and shall be payable in equal installments in accordance with the Company's customary payroll practices in place from time to time. The Executive's Base Salary shall be subject to review on at least an annual basis.
  - 4.2 **Annual Bonus**.
    - (a) The Executive will be eligible to participate in an annual executive bonus plan pursuant to which he may earn a bonus ("**Bonus**") equal to up to 33% of his Base Salary (such maximum bonus may be referred to as the "**Target Bonus**").

- (b) Prior to the commencement of each calendar year the Company's Board of Directors (the "**Board**") will establish and approve the Target Bonus for such calendar year. Achievement of the Target Bonus will be based on the Executive meeting individual objectives and the Company meeting company-wide objectives (collectively, the "**Performance Criteria**").
- (c) The Board may, in its discretion, grant the Executive a Bonus in excess of the Target Bonus if the Performance Criteria are exceeded.
- (d) Following the close of each calendar year but in no event later than January 30th, the Board will meet and determine the extent to which the Performance Criteria have been achieved for such year and the amount of the Bonus. Based on that determination, payment of the Bonus (if any) shall be made by March 15th.
- (e) Notwithstanding the foregoing to the contrary (including all Performance Criteria being met), payment of the Bonus shall be at the discretion of the Board based on the financial condition of the Company.

**4.3** **Stock Option Grants.** Subject to the terms of the Corbus Pharmaceuticals Holdings, Inc. 2014 Equity Compensation Plan (the "**2014 Plan**") and approval of the Board, upon or immediately following the initial closing of the private placement of units consisting of shares of Common Stock and warrants to purchase Common Stock pursuant to the Private Placement Memorandum of Corbus Pharmaceuticals Holdings, Inc. dated March 27, 2014, the Executive will be granted options to purchase up to 271,600 shares of the Company's common stock at an exercise price of \$1.00 per share. In addition, options to purchase shares of the Company's common stock pursuant to the 2014 Plan have been substituted for options previously granted to the Executive by JB Therapeutics, Inc. ("**JBT**") in accordance with the terms of the Agreement and Plan of Merger dated as of March 27, 2014 among the Company, JBT and Corbus Pharmaceuticals Acquisition, Inc. During the Term, subject to the terms of the 2014 Plan or any successor equity compensation plan as may be in place from time to time and separate award agreements, the Executive also shall be eligible to receive from time to time additional stock options or other awards in amounts, if any, to be approved by the Board or the Compensation Committee in its discretion.

**4.4** **Benefits.** During his employment and subject to any contribution therefore generally required of employees of the Company, the Executive shall be entitled to participate in any and all employee benefit plans from time to time in effect for executive employees of the Company generally. Such participation shall be subject to (i) the terms of the applicable plan documents, (ii) generally applicable policies of the Company and (iii) the discretion of the Board or any administrative or other committee provided for in or contemplated by such plan. The Company may alter, modify, add to or delete its employee benefit plans at any time as it, in its sole judgment, deems appropriate.

- 4.5 **Vacations and Holidays.** During the term of his employment, the Executive shall be entitled to 15 paid days off (none of which may be carried over from one year to the next) as well as those paid public holidays provided for in the Company's standard policies, as they may be amended from time to time.
- 4.6 **Changes to Compensation.** After the Initial Term (as defined below), the Company may, at its sole discretion, change the terms of the Executive's compensation (other than the terms and conditions of outstanding options or other awards under the 2014 Plan which shall continue to be governed by the applicable award agreements and the 2014 Plan). The Company shall give the Executive at least 14 days' prior written notice of any such changes.
5. **EXPENSES.** The Executive shall be entitled to reimbursement by the Company for all necessary and reasonable travel, entertainment and other business expenses incurred by him in connection with his duties hereunder. The Company shall reimburse the Executive for all such expenses upon presentation of an itemized account and appropriate supporting documentation, all in accordance with the Company's generally applicable policies as in effect from time to time.
6. **CONFIDENTIALITY.**
- 6.1 **Definition.** During the term of his employment, the Executive will have access to the Company's confidential business information (the "**Confidential Information**"). The definition of Confidential Information includes any information regarding the Company or its affiliates that is not generally available to the public. By way of example not limitation, Confidential Information includes inventions, designs, data, computer code, works of authorship, know-how, trade secrets, formulas, compounds, indications, techniques, ideas, discoveries, products and services under development, employee, investor, customer and vendor information of any kind, marketing and business plans and financial information of any kind including pricing and profit margins.
- 6.2 **Ownership of Confidential Information.** The Confidential Information (and all documents containing Confidential Information) is and will, as between the Executive and the Company, be the sole property of the Company.
- 6.3 **Protection and Use of Confidential Information.** The Executive shall preserve and protect the confidentiality and security of the Confidential Information. At all times during and after his employment by the Company and thereafter, the Executive will protect and not disclose to any third party any Confidential Information. The Executive shall not use the Confidential Information or make any use of, the Confidential Information, except in connection with the performance of his duties for the Company and for no other purpose or person.

- 6.4 **Return of Confidential Information.** Upon request of the Company, the Executive will promptly (i) deliver to the Company all documents and other tangible media in the Executive's possession or control that evidence, contain or reflect Confidential Information (including all copies, reproductions, digests, abstracts, analyses, and notes) and (ii) destroy any intangible materials that evidence, contain or reflect Confidential Information on equipment or media not owned by the Company.

7. **ASSIGNMENT OF WORK PRODUCT.**

- 7.1 **Definitions.** The following capitalized terms shall have the meanings assigned to them below:

"**Intellectual Property**" means collectively all Work Product and all Intellectual Property Rights relating to all Work Product.

"**Intellectual Property Rights**" means all copyrights, copyright registrations and copyright applications, trademarks, service marks, trade dress, trade names, trademark registrations and trademark applications, patents and patent applications, trade secret rights, and all other rights and interests existing, created or protectable under any intellectual property or other law of any nation.

"**Work Product**" means any and all inventions, discoveries, original works of authorship, developments, improvements, formulas, compounds, indications, techniques, concepts, data and ideas (whether or not patentable or registerable under patent, copyright, or similar statute) made, conceived, prepared, created, discovered, or reduced to practice by the Executive, either alone or jointly with others during the period of his employment, that (i) result or relate to work performed by the Executive for the Company, (ii) are made by use of the equipment, supplies, facilities or Confidential Information, or are made, conceived or completed, wholly or in part, during hours in which the Executive is employed by the Company, or (iii) are related to the business of the Company or the actual or demonstrably anticipated business of the Company.

- 7.2 **Property of the Company.** All Intellectual Property is and will be the sole property of the Company.

- 7.3 **Copyrights; Assignment.** The Executive agrees that all copyrightable materials that fall within the definition of Work Product, will be, to the maximum extent permitted by law, works-made-for-hire for the Company under copyright law, and to the extent not works-made-for-hire, the Executive hereby assigns to the Company, without royalty or further consideration to the Executive, all right, title, and interest he may have, or may acquire, in and to all Intellectual Property.

- 7.4 **Disclosure.** The Executive will promptly disclose in writing all Work Product to the Company. The Executive agrees to keep adequate and current written records of all such Work Product, in the form of notes, sketches, drawings, electronic records and/or other reports, which records are, and will remain, the sole property of the Company and will be available to the Company at all times.
- 7.5 **Execution of Documents.** Whenever requested by the Company, both during the period of the Executive's employment and thereafter, the Executive will promptly sign and deliver to the Company any and all applications, assignments and other documents that the Company considers necessary or desirable in order to: (a) assign, apply for, obtain, and maintain any Intellectual Property Rights in the United States and for other countries relating to any Work Product, (b) assign and convey to the Company or its designee the sole and exclusive right, title, and interest in and to all Intellectual Property, (c) provide evidence regarding the Intellectual Property that the Company considers necessary or desirable, and (d) confirm the Company's ownership of the Intellectual Property, all without royalty or any other further consideration to the Executive.
- 7.6 **Assistance to the Company.** Whenever requested by the Company, both during the period of the Executive's employment and thereafter, the Executive will assist the Company in assigning, obtaining, maintaining, defending, registering and from time to time enforcing, in any and all countries, the Company's right to the Intellectual Property. This assistance may include, without limitation, testifying in a suit or other proceeding. If the Company requires assistance from the Executive after termination of his employment, the Executive will be compensated for time actually spent in providing assistance at an hourly rate equivalent to his compensation at the time his employment was terminated together with his reasonable, actual out-of-pocket expenses incurred in providing such assistance.
- 7.7 **Power of Attorney.** For use in the case that the Company cannot obtain the Executive's signature on any document that the Company considers necessary or desirable in order to assign, apply for, prosecute, obtain, or enforce any Intellectual Property, whether due to the Executive's non-cooperation, unavailability, or any other reason, the Executive hereby irrevocably designates and appoints the Company and each of its duly authorized officers and agents as his agent and attorney-in-fact to act for, and on the Executive's behalf, to execute and file any such document and to do all other lawfully permitted acts to further the assignment, transfer to the Company, application, registration, prosecution, issuance, and enforcement of all Intellectual Property, with the same force and effect as if executed and delivered by the Executive.

**7.8** **Prior Inventions.** The Executive represents that any inventions, original works of authorship, discoveries, concepts or ideas, if any, to which the Executive presently has any right, title or interest, and which were previously conceived either wholly or in part by the Executive, and that the Executive desires to exclude from the operation of this Agreement are identified on Schedule A of this Agreement (each a "**Prior Invention**"). The Executive represents that the list contained in Schedule A is complete to the best of his knowledge. If during the Executive's retention with the Company, the Executive incorporates a Prior Invention into a Company product, process or service or its use, the Executive shall be deemed to have automatically granted to the Company a nonexclusive, royalty-free, irrevocable, perpetual, worldwide license to make, have made, modify, display, perform sell and otherwise use such Prior Invention as part of or in connection with any Company product, process or service. The Executive shall not incorporate a Prior Invention into a Company product, process or service or its use without the Company's prior written consent.

**8. NON-COMPETITION; NON-SOLICITATION.**

**8.1** **Non-competition.** During the Restricted Period (as defined below), the Executive shall not directly or indirectly (i) serve as a partner, principal, shareholder, licensor, licensee, employee, officer, director, manager, agent, representative, advisor, promoter, associate, investor, or otherwise for any Competitive Business (as defined below), (ii) build, design, finance, acquire, lease, operate, manage, control, invest in, work, or consult for or otherwise join, participate in, or affiliate himself with, any Competitive Business or (iii) take any preparatory steps with respect to any of the foregoing. The foregoing covenant shall cover the Executive's activities in every part of the world. The foregoing shall not apply to the Executive's ownership of shares in a publicly-traded entity in which the Executive does not materially participate and in which the Executive's ownership interest is one percent (1%) or less.

**8.2** **Certain Definitions.** The following capitalized terms shall have the meanings assigned to them below:

**"Competitive Business"** means any business that is developing a cannabinoid agonist for the treatment of scleroderma, cystic fibrosis or other inflammatory or fibrotic diseases.

**"Restricted Period"** means the period commencing on the Effective Date and continuing thereafter for a period of 12 months following the termination of the Executive's employment hereunder.

- 8.3 Non-Solicitation.** During the Restricted Period, the Executive shall not, directly or indirectly, whether on behalf of himself or anyone else: (i) induce or attempt to induce a business associate of the Company to refrain from doing business with the Company; (ii) use for his benefit or disclose the name and/or requirements of any such business associate to any other person or persons, natural or corporate; or (iii) solicit any of the employees of the Company to leave the employ of the Company or hire anyone who is an employee of the Company or has worked for the Company during the previous 12 months.
- 8.4 Extension of Restriction Period.** The Restricted Period shall be extended by the length of any period during which the Executive is in breach of the terms and conditions of this Section 8.
- 8.5 Separate Covenants.** The Executive acknowledges and agrees that the covenants set forth in this Section 8 are an essential element of this Agreement and the transactions contemplated hereby and that, but for the agreement of the Executive to comply with such covenants, the Company would not have entered into this Agreement. The Executive acknowledges and agrees that the provisions of this Section 8 constitutes an independent agreement and shall not be affected by the performance or non-performance of any other provision of this Agreement by the Company.
- 8.6 Blue Pencil Provision.** The parties hereby expressly agree that the duration, scope and geographic area of restriction set forth in this Section 8 are reasonable. In the event that any court of competent jurisdiction shall hold that the duration, scope or area of restriction set forth in this Section 8 is unreasonable under circumstances now or hereafter existing, the maximum duration, scope or area of restriction reasonable under such circumstances shall be substituted, and each party hereto shall petition any such court to cause the maximum duration, scope or area of restriction reasonable under such circumstances to be so substituted for the duration, scope or area of restriction set forth herein.
- 9. INJUNCTIVE RELIEF.** The Executive acknowledges that the Company shall not have an adequate remedy in the event that the Executive breaches Section 6, 7, 8 or 12 of this Agreement and that the Company will suffer irreparable damage and injury in such event. The Executive agrees that the Company, in addition to any other available rights and remedies, shall be entitled to seek an injunction (without the necessity of posting a bond) restraining the Executive from committing or continuing any violation of Section 6, 7, 8 or 12 of this Agreement.
- 10. TERM; TERMINATION.**
- 10.1 Term.** Unless earlier terminated in accordance with the provisions of this Section 10, the term of this Agreement shall commence on the Effective Date and shall continue thereafter for a period of two (2) years (the "**Initial Term**"). If the Company continues to employ the Executive after the expiration of the Initial Term without a written extension of the term, such employment shall continue on an AT-WILL basis and the Company shall have the right to terminate this Agreement and the Executive's employment at any time subject to the notice provisions set forth in Section 10.5 below.



- 10.2 Death.** Upon the death of the Executive, the Executive's employment with the Company shall terminate.
- 10.3 Disability.** If the Executive is unable to perform the essential functions of Employee's employment with the Company for more than twelve weeks (unless a longer period is required by state or federal law), the Company shall have the right to terminate the Executive's employment upon prior written notice
- 10.4 Termination by the Executive.** The Executive may terminate this Agreement and his employment hereunder with or without Good Reason (as defined below) upon 30 days prior written notice to the Company.
- 10.5 Termination by Company.** The Company may terminate this Agreement and the Executive's employment hereunder (i) without Cause upon 30 days prior written notice to the Executive or (ii) immediately for Cause.
- 10.6 Certain Definitions.** The following capitalized terms shall have the meanings assigned to them below:

**"Cause"** means: (i) the Executive's chronic failure to perform those material duties assigned to him pursuant to Section 2 above to the reasonable satisfaction of the Board after written notice thereof and a reasonable opportunity to respond and/or cure of not less than 30 days; (ii) the Executive's gross negligence or misconduct (including but not limited to acts of fraud or theft or the violation of applicable laws) in connection with the performance of his duties; (iii) the Executive's material breach of Section 6, 7 or 8 above; (iv) the Executive's commission of an act of moral turpitude; (v) the Executive being dependent on or addicted to alcohol or drugs; or (vi) the Executive's conviction of or plea of nolo contendere to a felony.

**"Good Reason"** means the voluntary termination by the Executive within thirty (30) days following: (i) a requirement that the Executive physically relocates to another office that is more than 75 miles from the office location that the Executive reported to at the commencement of his employment with the Company; (ii) a reduction in the Executive's rate of compensation, potential incentive compensation, or general benefits (other than general changes, in each case, affecting all similarly situated employees to substantially the same extent); or (iii) a material adverse change in the Executive's job description or a significant reduction of the scope of the Executive's authority or responsibilities.

## 11. EFFECT OF TERMINATION

- 11.1 Payments Upon Termination.** In the event that the Executive's employment with the Company is terminated for any reason, the Executive shall have the right to receive (i) the compensation and reimbursable expenses then accrued and/or earned and unpaid under Sections 4.1 and 5 of this Agreement through the date of termination, (ii) payment for unused vacation days accrued through the date of termination and (iii) any benefits required by the Consolidated Omnibus Budget Reconciliation Act of 1985.
- 11.2 Additional Payments.** Subject to Sections 11.3 and 11.4, in the event that the Executive's employment with the Company is terminated by the Company without Cause or by the Executive for Good Reason during the Initial Term, (A) the Company shall (i) pay to the Executive an amount equal to twelve months of his then current Base Salary under Section 4.1 above (less applicable withholdings and authorized deductions), to be paid in equal installments bimonthly in accordance with the Company's customary payroll practices, commencing sixty (60) days following the date of termination of employment and (ii) if the Executive then participates in the Company's medical and/or dental plans and the Executive timely elects to continue and maintain group health plan coverage pursuant to COBRA, reimburse the Executive for the cost of health insurance under COBRA for a period of twelve months; provided, however, that if and to the extent that the Company may not provide such COBRA reimbursement without incurring tax penalties or violating any requirement of the law, the Company shall use its commercially reasonable best efforts to provide substantially similar assistance in an alternative manner, provided that the cost of doing so does not exceed the cost that the Company would have incurred had the COBRA reimbursement been provided in the manner described above or cause a violation of Section 409A (as defined below), and (B) if the Executive is entitled to a Bonus, subject to the Board's discretion and approval as set forth in Section 4.2 above, the Company shall pay such Bonus in accordance with the terms of the applicable plan and on the same basis as other participants in the plan except that the Bonus amount shall be prorated (based on the percentage of days the Executive was employed relative to the total number of days in the bonus earning period). Notwithstanding anything to the contrary contained herein, to the extent the Company immediately terminates the Executive's employment in lieu of the 30 day notice period referenced in Section 10.5 above, such 30 day notice period shall be deemed to be included in the period of payments and benefits provided for in this Section 11.2 (and no additional compensation shall be provided for such a notice period).
- 11.3 Release Agreement.** In order to receive the payments and benefits set forth in Section 11.2 (collectively referred to herein as the "Severance Payments"), the Executive must timely execute (and not revoke) a separation agreement and general release (the "Release Agreement") in a customary form as is determined to be reasonably necessary by the Company in its good faith and reasonable discretion. If the Executive is eligible for Severance Payments pursuant to Section 11.2, the Company will deliver the Release Agreement to the Executive within seven (7) calendar days following the date of termination of employment. The Severance Payments are subject to the Executive's execution and delivery of such Release Agreement within 45 days of the Executive's receipt of the Release Agreement and the Executive's non-revocation of such Release Agreement.

**11.4 Post-Termination Breach.** Notwithstanding anything to the contrary contained in this Agreement, the Company's obligation to provide the Severance Payments will immediately cease if the Executive breaches any of the provisions of Sections 6, 7 or 8, the Release Agreement or any other Agreement the Executive has with the Company.

**11.5 No Other Payments or Benefits.** The Executive acknowledges and agrees that upon the termination of his employment, no other benefits, compensation or remuneration of any kind is owed by the Company to the Executive other than as set forth in this Section 11 or as set forth in the Option Agreements.

**11.6 Survival.** Notwithstanding anything to the contrary set forth herein, Sections 6, 7, 8, 9 and 11-19 of this Agreement and any remedies for the breach thereof, shall survive the termination of this Agreement under the terms hereof. Termination of this Agreement shall not relieve or release either party from any rights, liabilities or obligations which it/he has accrued prior the effective date of such termination.

**12. RETURN OF COMPANY PROPERTY; EXIT INTERVIEW.** Upon termination of the Executive's employment with the Company for any reason, the Executive will promptly:

- (a) Deliver to the Company all documents and other tangible media in the Executive's possession or control that evidence, contain or reflect (A) Confidential Information or (B) Work Product, in each case whether prepared by the Executive or otherwise coming into the Executive's possession or control;
- (b) Destroy any intangible materials that evidence, contain or reflect Confidential Information or Work Product on equipment or media not owned by the Company; and
- (c) Return to the Company all equipment, files, software programs and other personal property belonging to the Company.

Upon termination of the Executive's employment with the Company for any reason, the Executive will attend an exit interview with a representative of the Company to review the Executive's continuing obligations under this Agreement.

**13. ENTIRE AGREEMENT.** This Agreement constitutes the entire agreement between the parties with respect to the subject matter hereof and supersedes all contemporaneous and prior agreements and understandings between them as to such subject matter. Not in limitation of the foregoing, this Agreement supersedes the Employment Agreement between the Executive and JBT dated January 6, 2014, which has been terminated. Except as otherwise expressly provided herein, this Agreement may not be amended except by an instrument in writing executed by the Company and the Executive.

14. **ASSIGNMENT**. The Executive shall not be permitted to assign this Agreement or any rights or obligations hereunder without the prior written consent of the Company.
15. **GOVERNING LAW; JURISDICTION**. This Agreement shall be construed and enforced in accordance with and governed by the laws of the Commonwealth of Massachusetts without giving effect to the principles of conflicts of laws thereof. The parties hereby consent and submit to the exclusive jurisdiction and venue of the courts located in Boston, Massachusetts in connection with any actions or proceedings brought against either of them (or each of them) arising out of or relating to this Agreement.
16. **MISCELLANEOUS**. No waiver by either party of any term or condition of this Agreement, whether by conduct or otherwise, in any one or more instance, shall be deemed a continuing waiver of any such term or condition, or a waiver of any other term or condition of this Agreement. Headings set forth in this Agreement are solely for the convenience of the parties and have no legal effect. If any provision of this Agreement shall be found to be invalid by any court having competent jurisdiction, the invalidity of such provision shall not affect the validity of the remaining provisions hereof. This Agreement shall be (i) binding upon, and will inure to the benefit of, the parties and their permitted respective successors and assigns, (ii) construed without presumption of any rule requiring construction to be made against the party causing it to be drafted and (iii) executed in any number of counterparts, each of which will for all purposes be deemed to be an original, and all of which are identical.
17. **TAX WITHHOLDING**. The Company or other payor is authorized to withhold from any benefit provided or payment due hereunder, the amount of withholding taxes due any federal, state or local authority in respect of such benefit or payment and to take such other action as may be necessary in the opinion of the Board to satisfy all obligations for the payment of such withholding taxes. The Executive will be solely responsible for all taxes assessed against him with respect to the compensation and benefits described in this Agreement, other than typical employer-paid taxes such as FICA, and the Company makes no representations as to the tax treatment of such compensation and benefits.

18. **SECTION 409A COMPLIANCE.** All payments under this Agreement are intended to comply with or be exempt from the requirements of Section 409A of the Code and regulations promulgated thereunder (“Section 409A”). As used in this Agreement, the “Code” means the Internal Revenue Code of 1986, as amended. To the extent permitted under applicable regulations and/or other guidance of general applicability issued pursuant to Section 409A, the Company reserves the right to modify this Agreement to conform with any or all relevant provisions regarding compensation and/or benefits so that such compensation and benefits are exempt from the provisions of 409A and/or otherwise comply with such provisions so as to avoid the tax consequences set forth in Section 409A and to assure that no payment or benefit shall be subject to an “additional tax” under Section 409A. To the extent that any provision in this Agreement is ambiguous as to its compliance with Section 409A, or to the extent any provision in this Agreement must be modified to comply with Section 409A, such provision shall be read in such a manner so that no payment due to the Executive shall be subject to an “additional tax” within the meaning of Section 409A(a)(1)(B) of the Code. If necessary to comply with the restriction in Section 409A(a)(2)(B) of the Code concerning payments to “specified employees,” any payment on account of the Executive’s separation from service that would otherwise be due hereunder within six (6) months after such separation shall be delayed until the first business day of the seventh month following the date of termination of employment and the first such payment shall include the cumulative amount of any payments (without interest) that would have been paid prior to such date if not for such restriction. Each payment in a series of payments hereunder shall be deemed to be a separate payment for purposes of Section 409A. In no event may the Executive, directly or indirectly, designate the calendar year of payment. All reimbursements provided under this Agreement shall be made or provided in accordance with the requirements of Section 409A, including, where applicable, the requirement that (i) any reimbursement is for expenses incurred during the Executive’s lifetime (or during a shorter period of time specified in this Agreement), (ii) the amount of expenses eligible for reimbursement during a calendar year may not affect the expenses eligible for reimbursement in any other calendar year, (iii) the reimbursement of an eligible expense will be made on or before the last day of the calendar year following the year in which the expense is incurred, and (iv) the right to reimbursement is not subject to liquidation or exchange for another benefit. Notwithstanding anything contained herein to the contrary, the Executive shall not be considered to have terminated employment with the Company for purposes of Section 11.2 unless the Executive would be considered to have incurred a “termination of employment” from the Company within the meaning of Treasury Regulation §1.409A-1(h)(1)(ii). In no event whatsoever shall the Company be liable for any additional tax, interest or penalty that may be imposed on the Executive by Section 409A or damages for failing to comply with Section 409A.

**19. 280G MODIFIED CUTBACK.**

- (a) If any payment, benefit or distribution of any type to or for the benefit of the Executive, whether paid or payable, provided or to be provided, or distributed or distributable pursuant to the terms of this Agreement or otherwise (collectively, the "Parachute Payments") would subject the Executive to the excise tax imposed under Section 4999 of the Code (the "Excise Tax"), the Parachute Payments shall be reduced so that the maximum amount of the Parachute Payments (after reduction) shall be one dollar (\$1.00) less than the amount which would cause the Parachute Payments to be subject to the Excise Tax; provided that the Parachute Payments shall only be reduced to the extent the after-tax value of amounts received by the Executive after application of the above reduction would exceed the after-tax value of the amounts received without application of such reduction. For this purpose, the after-tax value of an amount shall be determined taking into account all federal, state, and local income, employment and excise taxes applicable to such amount. Unless the Executive shall have given prior written notice to the Company to effectuate a reduction in the Parachute Payments if such a reduction is required, which notice shall be consistent with the requirements of Section 409A to avoid the imputation of any tax, penalty or interest thereunder, then the Company shall reduce or eliminate the Parachute Payments by first reducing or eliminating accelerated vesting of stock options or similar awards, then reducing or eliminating any cash payments (with the payments to be made furthest in the future being reduced first), then by reducing or eliminating any other remaining Parachute Payments; provided, that no such reduction or elimination shall apply to any non-qualified deferred compensation amounts (within the meaning of Section 409A) to the extent such reduction or elimination would accelerate or defer the timing of such payment in manner that does not comply with Section 409A.
- (b) An initial determination as to whether (x) any of the Parachute Payments received by the Executive in connection with the occurrence of a change in the ownership or control of the Company or in the ownership of a substantial portion of the assets of the Company shall be subject to the Excise Tax, and (y) the amount of any reduction, if any, that may be required pursuant to the previous paragraph, shall be made by an independent accounting firm selected by the Company (the "Accounting Firm") prior to the consummation of such change in the ownership or effective control of the Company or in the ownership of a substantial portion of the assets of the Company. The Executive shall be furnished with notice of all determinations made as to the Excise Tax payable with respect to the Executive's Parachute Payments, together with the related calculations of the Accounting Firm, promptly after such determinations and calculations have been received by the Company.
- (c) For purposes of this Section 19, (i) no portion of the Parachute Payments the receipt or enjoyment of which the Executive shall have effectively waived in writing prior to the date of payment of the Parachute Payments shall be taken into account; (ii) no portion of the Parachute Payments shall be taken into account which in the opinion of the Accounting Firm does not constitute a "parachute payment" within the meaning of Section 280G(b)(2) of the Code; (iii) the Parachute Payments shall be reduced only to the extent necessary so that the Parachute Payments (other than those referred to in the immediately preceding clause (i) or (ii)) in their entirety constitute reasonable compensation for services actually rendered within the meaning of Section 280G(b)(4) of the Code or are otherwise not subject to disallowance as deductions, in the opinion of the auditor or tax counsel referred to in such clause (ii); and (iv) the value of any non-cash benefit or any deferred payment or benefit included in the Parachute Payments shall be determined by the Company's independent auditors based on Sections 280G and 4999 of the Code and the regulations for applying those sections of the Code, or on substantial authority within the meaning of Section 6662 of the Code.

IN WITNESS WHEREOF, the undersigned have executed this Employment Agreement as of the Effective Date.

CORBUS PHARMACEUTICALS HOLDINGS, INC.

By: \_\_\_\_\_  
Name: Yuval Cohen, Ph.D.  
Title: Chief Executive Officer

By: \_\_\_\_\_  
Mark Tepper, Ph.D.  
Address: [\*]

**Schedule A**

**Executive Statement Regarding Prior Work Product**

Except as set forth below, the Executive acknowledges that at this time he has not made or reduced to practice (alone or jointly with others) any Work Product relevant to the subject matter of his retention by Corbus Pharmaceuticals Holdings, Inc. except those (if any) listed below:

*[List any applicable Work Product or write "None".]*

[If you need more space please attach a separate continuation sheet]

The Executive certifies that the foregoing is true, accurate and complete.

The Executive's Name: \_\_\_\_\_

Date: \_\_\_\_\_

Signature: \_\_\_\_\_



## AMENDED AND RESTATED EMPLOYMENT AGREEMENT

This AMENDED AND RESTATED EMPLOYMENT AGREEMENT (this "Agreement"), dated June 19, 2014 (the "**Execution Date**") and effective as of April 11, 2014 (the "**Effective Date**"), is between Corbus Pharmaceuticals Holdings, Inc. (the "**Company**") and Sean Moran (the "**Executive**").

### WITNESSETH:

**WHEREAS**, the Executive has been employed by the Company as its Chief Financial Officer pursuant to the terms of an employment agreement dated April 11, 2014 (the "**Prior Employment Agreement**");

**WHEREAS**, the Company desires to continue to employ the Executive as its Chief Financial Officer, and the Executive desires to accept such continued employment, on the terms and conditions set forth in this Agreement; and

**WHEREAS**, the Company and the Executive have mutually agreed that, as of the Effective Date, this Agreement shall amend, restate and replace the Prior Employment Agreement.

**NOW, THEREFORE**, in consideration of the promises and the mutual covenants and agreements contained herein and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties hereto, intending to be legally bound hereby, agree as follows:

1. **EMPLOYMENT.** Subject to the terms and conditions set forth herein, the Company hereby employs the Executive, and the Executive hereby accepts such employment by the Company commencing on the Effective Date.
2. **TERMINATION OF PRIOR EMPLOYMENT AGREEMENT.** As of the Execution Date, the Prior Employment Agreement is terminated and of no further force and effect. Executive acknowledges and agrees that the Company (i) has fully satisfied all of its payment and/or other obligations to Executive pursuant to the Prior Employment Agreement or otherwise that have arisen through and including the Prior Agreement Expiration Date, and (ii) has no further obligations to Executive arising under the Prior Employment Agreement or with respect to the termination thereof (notwithstanding the terms of such Prior Employment Agreement, including any provisions purporting to survive any termination or expiration thereof) or otherwise arising with respect to Executive's employment by the Company prior to the Commencement Date.
3. **SCOPE OF EMPLOYMENT.** During the term of this Agreement, Executive shall hold the position of Chief Financial Officer and shall have those duties and responsibilities customarily associated with the title of Chief Financial Officer plus any additional duties as may reasonably be assigned to him from time to time by the Company. The Executive shall report directly to the Chief Executive Officer and work closely with other members of the management team. The Executive will devote his full time and best efforts to the business and affairs of the Company. The Executive shall be subject to and comply with the Company's policies, procedures and approval practices as generally in effect at any time and from time to time.

4. **PREVIOUS OBLIGATIONS.** The Executive represents that his employment by the Company and the performance of his duties on behalf of the Company does not, and shall not, breach any agreement that obligates the Executive to keep in confidence any trade secrets or confidential or proprietary information of any other party or to refrain from competing, directly or indirectly, with the business of any other party. The Executive shall not disclose to the Company any trade secrets or confidential or proprietary information of any other party.
5. **COMPENSATION.** As full compensation for all services to be rendered by Executive during the term of this Agreement, the Company will compensate the Executive as follows.
- 5.1 **Base Salary.** The Company shall pay the Executive the base (the “**Base Salary**”) at the annualized rate of \$200,000, which shall be subject to customary withholdings and authorized deductions and shall be payable in equal installments in accordance with the Company’s customary payroll practices in place from time to time. The Executive’s Base Salary shall be subject to review on at least an annual basis. Executive acknowledges that, as of the date of this Agreement, Executive has received payment of all Base Salary earned through June 6, 2014.
- 5.2 **Annual Bonus.**
- (a) The Executive will be eligible to participate in an annual executive bonus plan pursuant to which he may earn a bonus (“**Bonus**”) equal to up to 33% of his Base Salary (such maximum bonus may be referred to as the “**Target Bonus**”).
  - (b) Prior to the commencement of each calendar year the Company’s Board of Directors (the “**Board**”) will establish and approve the Target Bonus for such calendar year. Achievement of the Target Bonus will be based on the Executive meeting individual objectives and the Company meeting company-wide objectives (collectively, the “**Performance Criteria**”).
  - (c) The Board may, in its discretion, grant the Executive a Bonus in excess of the Target Bonus if the Performance Criteria are exceeded.
  - (d) Following the close of each calendar year but in no event later than January 30th, the Board will meet and determine the extent to which the Performance Criteria have been achieved for such year and the amount of the Bonus. Based on that determination, payment of the Bonus (if any) shall be made by March 15th.
  - (e) Notwithstanding the foregoing to the contrary (including all Performance Criteria being met), payment of the Bonus shall be at the sole and absolute discretion of the Board, based on, among other things, the financial condition of the Company.

- 5.3 **Signing Bonus.** Executive acknowledges that Executive received from the Company on April 14, 2014, a lump sum payment of a signing bonus in the amount of \$20,000.
- 5.4 **Stock Option Grants.** On April 11, 2014 Executive has been granted options to purchase 107,220 shares of the Company's common stock at an exercise price of \$1.00 per share, subject to the terms of the Corbus Pharmaceuticals Holdings, Inc. 2014 Equity Compensation Plan (the "**2014 Plan**"). In addition, options to purchase 73,846 shares of the Company's common stock at an exercise price of \$0.1657 per share pursuant to the 2014 Plan have been substituted for options previously granted to the Executive by JB Therapeutics, Inc. ("**JBT**") in accordance with the terms of the Agreement and Plan of Merger dated as of March 27, 2014 among the Company, JBT and Corbus Pharmaceuticals Acquisition, Inc. During the Term, subject to the terms of the 2014 Plan or any successor equity compensation plan as may be in place from time to time and separate award agreements, the Executive also shall be eligible to receive from time to time additional stock options or other awards in amounts, if any, to be approved by the Board or the Compensation Committee in its discretion.
- 5.5 **Benefits.** During his employment and subject to any contribution therefore generally required of employees of the Company, the Executive shall be entitled to participate in any and all employee benefit plans from time to time in effect for executive employees of the Company generally. Such participation shall be subject to (i) the terms of the applicable plan documents, (ii) generally applicable policies of the Company and (iii) the discretion of the Board or any administrative or other committee provided for in or contemplated by such plan. The Company may alter, modify, add to or delete its employee benefit plans at any time as it, in its sole judgment, deems appropriate.
- 5.6 **Vacations and Holidays.** During the term of his employment, the Executive shall be entitled to 15 paid days off (none of which may be carried over from one year to the next) as well as those paid public holidays provided for in the Company's standard policies, as they may be amended from time to time.
- 5.7 **Changes to Compensation.** The Company may, at its sole discretion, change the terms and conditions of Executive's employment, including without limitation, the terms of the Executive's compensation (other than the terms and conditions of outstanding options or other awards under the 2014 Plan which shall continue to be governed by the applicable award agreements and the 2014 Plan). The Company shall give the Executive at least 14 days' prior written notice of any changes to Executive's compensation.

6. **EXPENSES.** The Executive shall be entitled to reimbursement by the Company for all necessary and reasonable travel, entertainment and other business expenses incurred by him in connection with his duties hereunder. The Company shall reimburse the Executive for all such expenses upon presentation of an itemized account and appropriate supporting documentation, all in accordance with the Company's generally applicable policies as in effect from time to time.

7. **CONFIDENTIALITY.**

7.1 **Definition.** During the term of his employment, the Executive will have access to the Company's confidential business information (the "**Confidential Information**"). The definition of Confidential Information includes any information regarding the Company or its affiliates that is not generally available to the public. By way of example not limitation, Confidential Information includes inventions, designs, data, computer code, works of authorship, know-how, trade secrets, formulas, compounds, indications, techniques, ideas, discoveries, products and services under development, employee, investor, customer and vendor information of any kind, marketing and business plans and financial information of any kind including pricing and profit margins.

7.2 **Ownership of Confidential Information.** The Confidential Information (and all documents containing Confidential Information) is and will, as between the Executive and the Company, be the sole property of the Company.

7.3 **Protection and Use of Confidential Information.** The Executive shall preserve and protect the confidentiality and security of the Confidential Information. At all times during and after his employment by the Company and thereafter, the Executive will protect and not disclose to any third party any Confidential Information. The Executive shall not use the Confidential Information or make any use of, the Confidential Information, except in connection with the performance of his duties for the Company and for no other purpose or person.

7.4 **Return of Confidential Information.** Upon request of the Company, the Executive will promptly (i) deliver to the Company all documents and other tangible media in the Executive's possession or control that evidence, contain or reflect Confidential Information (including all copies, reproductions, digests, abstracts, analyses, and notes) and (ii) destroy any intangible materials that evidence, contain or reflect Confidential Information on equipment or media not owned by the Company.

8. **ASSIGNMENT OF WORK PRODUCT.**

8.1 **Definitions.** The following capitalized terms shall have the meanings assigned to them below:

"**Intellectual Property**" means collectively all Work Product and all Intellectual Property Rights relating to all Work Product.

“**Intellectual Property Rights**” means all copyrights, copyright registrations and copyright applications, trademarks, service marks, trade dress, trade names, trademark registrations and trademark applications, patents and patent applications, trade secret rights, and all other rights and interests existing, created or protectable under any intellectual property or other law of any nation.

“**Work Product**” means any and all inventions, discoveries, Prior works of authorship, developments, improvements, formulas, compounds, indications, techniques, concepts, data and ideas (whether or not patentable or registerable under patent, copyright, or similar statute) made, conceived, prepared, created, discovered, or reduced to practice by the Executive, either alone or jointly with others during the period of his employment, that (i) result or relate to work performed by the Executive for the Company, (ii) are made by use of the equipment, supplies, facilities or Confidential Information, or are made, conceived or completed, wholly or in part, during hours in which the Executive is employed by the Company, or (iii) are related to the business of the Company or the actual or demonstrably anticipated business of the Company.

- 8.2** **Property of the Company.** All Intellectual Property is and will be the sole property of the Company.
- 8.3** **Copyrights; Assignment.** The Executive agrees that all copyrightable materials that fall within the definition of Work Product, will be, to the maximum extent permitted by law, works-made-for-hire for the Company under copyright law, and to the extent not works-made-for-hire, the Executive hereby assigns to the Company, without royalty or further consideration to the Executive, all right, title, and interest he may have, or may acquire, in and to all Intellectual Property.
- 8.4** **Disclosure.** The Executive will promptly disclose in writing all Work Product to the Company. The Executive agrees to keep adequate and current written records of all such Work Product, in the form of notes, sketches, drawings, electronic records and/or other reports, which records are, and will remain, the sole property of the Company and will be available to the Company at all times.
- 8.5** **Execution of Documents.** Whenever requested by the Company, both during the period of the Executive’s employment and thereafter, the Executive will promptly sign and deliver to the Company any and all applications, assignments and other documents that the Company considers necessary or desirable in order to: (a) assign, apply for, obtain, and maintain any Intellectual Property Rights in the United States and for other countries relating to any Work Product, (b) assign and convey to the Company or its designee the sole and exclusive right, title, and interest in and to all Intellectual Property, (c) provide evidence regarding the Intellectual Property that the Company considers necessary or desirable, and (d) confirm the Company’s ownership of the Intellectual Property, all without royalty or any other further consideration to the Executive.

- 8.6** **Assistance to the Company.** Whenever requested by the Company, both during the period of the Executive's employment and thereafter, the Executive will assist the Company in assigning, obtaining, maintaining, defending, registering and from time to time enforcing, in any and all countries, the Company's right to the Intellectual Property. This assistance may include, without limitation, testifying in a suit or other proceeding. If the Company requires assistance from the Executive after termination of his employment, the Executive will be compensated for time actually spent in providing assistance at an hourly rate equivalent to his compensation at the time his employment was terminated together with his reasonable, actual out-of-pocket expenses incurred in providing such assistance.
- 8.7** **Power of Attorney.** For use in the case that the Company cannot obtain the Executive's signature on any document that the Company considers necessary or desirable in order to assign, apply for, prosecute, obtain, or enforce any Intellectual Property, whether due to the Executive's non-cooperation, unavailability, or any other reason, the Executive hereby irrevocably designates and appoints the Company and each of its duly authorized officers and agents as his agent and attorney-in-fact to act for, and on the Executive's behalf, to execute and file any such document and to do all other lawfully permitted acts to further the assignment, transfer to the Company, application, registration, prosecution, issuance, and enforcement of all Intellectual Property, with the same force and effect as if executed and delivered by the Executive.
- 8.8** **Prior Inventions.** The Executive represents that any inventions, Prior works of authorship, discoveries, concepts or ideas, if any, to which the Executive presently has any right, title or interest, and which were previously conceived either wholly or in part by the Executive, and that the Executive desires to exclude from the operation of this Agreement are identified on Schedule A of this Agreement (each a "**Prior Invention**"). The Executive represents that the list contained in Schedule A is complete to the best of his knowledge. If during the Executive's retention with the Company, the Executive incorporates a Prior Invention into a Company product, process or service or its use, the Executive shall be deemed to have automatically granted to the Company a nonexclusive, royalty-free, irrevocable, perpetual, worldwide license to make, have made, modify, display, perform sell and otherwise use such Prior Invention as part of or in connection with any Company product, process or service. The Executive shall not incorporate a Prior Invention into a Company product, process or service or its use without the Company's prior written consent.

9. **NON-COMPETITION; NON-SOLICITATION.**

- 9.1 **Non-competition.** During the Restricted Period (as defined below), the Executive shall not directly or indirectly (i) serve as a partner, principal, shareholder, licensor, licensee, employee, officer, director, manager, agent, representative, advisor, promoter, associate, investor, or otherwise for any Competitive Business (as defined below), (ii) build, design, finance, acquire, lease, operate, manage, control, invest in, work, or consult for or otherwise join, participate in, or affiliate himself with, any Competitive Business or (iii) take any preparatory steps with respect to any of the foregoing. The foregoing covenant shall cover the Executive's activities in every part of the world. The foregoing shall not apply to the Executive's ownership of shares in a publicly-traded entity in which the Executive does not materially participate and in which the Executive's ownership interest is one percent (1%) or less.
- 9.2 **Certain Definitions.** The following capitalized terms shall have the meanings assigned to them below:
- "**Competitive Business**" means any business that is developing a cannabinoid agonist for the treatment of scleroderma, cystic fibrosis or other inflammatory or fibrotic diseases.
- "**Restricted Period**" means the period commencing on the Effective Date and continuing thereafter for a period of 12 months following the termination of the Executive's employment hereunder.
- 9.3 **Non-Solicitation.** During the Restricted Period, the Executive shall not, directly or indirectly, whether on behalf of himself or anyone else: (i) induce or attempt to induce a business associate of the Company to refrain from doing business with the Company; (ii) use for his benefit or disclose the name and/or requirements of any such business associate to any other person or persons, natural or corporate; or (iii) solicit any of the employees of the Company to leave the employ of the Company or hire anyone who is an employee of the Company or has worked for the Company during the previous 12 months.
- 9.4 **Extension of Restriction Period.** The Restricted Period shall be extended by the length of any period during which the Executive is in breach of the terms and conditions of this Section 9.
- 9.5 **Separate Covenants.** The Executive acknowledges and agrees that the covenants set forth in this Section 9 are an essential element of this Agreement and the transactions contemplated hereby and that, but for the agreement of the Executive to comply with such covenants, the Company would not have entered into this Agreement. The Executive acknowledges and agrees that the provisions of this Section 9 constitutes an independent agreement and shall not be affected by the performance or non-performance of any other provision of this Agreement by the Company.
- 9.6 **Blue Pencil Provision.** The parties hereby expressly agree that the duration, scope and geographic area of restriction set forth in this Section 9 are reasonable. In the event that any court of competent jurisdiction shall hold that the duration, scope or area of restriction set forth in this Section 8 is unreasonable under circumstances now or hereafter existing, the maximum duration, scope or area of restriction reasonable under such circumstances shall be substituted, and each party hereto shall petition any such court to cause the maximum duration, scope or area of restriction reasonable under such circumstances to be so substituted for the duration, scope or area of restriction set forth herein.

10. **INJUNCTIVE RELIEF.** The Executive acknowledges that the Company shall not have an adequate remedy in the event that the Executive breaches Section 7, 8, 9 or 13 of this Agreement and that the Company will suffer irreparable damage and injury in such event. The Executive agrees that the Company, in addition to any other available rights and remedies, shall be entitled to seek an injunction (without the necessity of posting a bond) restraining the Executive from committing or continuing any violation of Section 7, 8, 9 or 13 of this Agreement.
11. **TERM; TERMINATION.**
- 11.1 **Term.** Executive shall be employed on an AT-WILL basis and both Executive and the Company shall have the right to terminate this Agreement and the Executive's employment at any time for any reason or no reason, subject to the notice provisions set forth in Sections 11.2 and 11.3 below.
- 11.2 **Termination by the Executive.** The Executive may terminate this Agreement and his employment hereunder for any reason or no reason upon 30 days prior written notice to the Company.
- 11.3 **Termination by Company.** The Company may terminate this Agreement and the Executive's employment hereunder for any reason or no reason upon written notice to the Executive.
12. **EFFECT OF TERMINATION**
- 12.1 **Payments Upon Termination.** In the event that the Executive's employment with the Company is terminated for any reason, the Executive shall have the right to receive (i) the compensation and reimbursable expenses then accrued and/or earned and unpaid under Sections 5.1 and 6 of this Agreement through the date of termination, (ii) payment for unused vacation days accrued through the date of termination and (iii) any benefits required by the Consolidated Omnibus Budget Reconciliation Act of 1985.
- 12.2 **No Other Payments or Benefits.** The Executive acknowledges and agrees that upon the termination of his employment, no other benefits, compensation or remuneration of any kind is owed by the Company to the Executive other than as set forth in this Section 12 or as set forth in the agreements pertaining to stock options granted to the Executive by the Company.
- 12.3 **Survival.** Notwithstanding anything to the contrary set forth herein, Sections 7, 8, 9, 10 and 12-20 of this Agreement and any remedies for the breach thereof, shall survive the termination of this Agreement under the terms hereof. Termination of this Agreement shall not relieve or release either party from any rights, liabilities or obligations which it/he has accrued prior the effective date of such termination.



13. **RETURN OF COMPANY PROPERTY; EXIT INTERVIEW.** Upon termination of the Executive's employment with the Company for any reason, the Executive will promptly:
- (a) Deliver to the Company all documents and other tangible media in the Executive's possession or control that evidence, contain or reflect (A) Confidential Information or (B) Work Product, in each case whether prepared by the Executive or otherwise coming into the Executive's possession or control;
  - (b) Destroy any intangible materials that evidence, contain or reflect Confidential Information or Work Product on equipment or media not owned by the Company; and
  - (c) Return to the Company all equipment, files, software programs and other personal property belonging to the Company.

Upon termination of the Executive's employment with the Company for any reason, the Executive will attend an exit interview with a representative of the Company to review the Executive's continuing obligations under this Agreement.

14. **ENTIRE AGREEMENT.** Effective as of the Commencement Date, this Agreement contains the entire agreement of the parties with respect to the termination of the Prior Employment Agreement, the terms and conditions of Executive's employment and activities following termination of this Agreement and Executive's employment with the Company and supersedes any and all prior agreements and understandings, whether written or oral, between the Executive and the Company with respect to the subject matter of this Agreement, including, without limitation, the Prior Employment Agreement and the Employment Agreement between the Executive and JBT dated January 6, 2014 (the "**JBT Agreement**"), which previously has been terminated. Notwithstanding the foregoing, if it is determined that Executive has previously materially breached any of his obligations under any of the terms of Sections 6 (Confidentiality), 7 (Assignment of Work Product) or 8 (Non-Competition; Non-Solicitation) of the Prior Employment Agreement, then, unless the Company was aware of such breach prior to the date of this Agreement, then such provision shall automatically be deemed in full force and effect and, with respect to any such breach, the Company shall be entitled to all remedies available under this Agreement (as if such breach occurred hereunder) or otherwise available to the Company at law or in equity. Executive acknowledges that: (A) the Company has fully satisfied all of its obligations to Executive under the Prior Employment Agreement; and (B) Executive has no rights or claims against the Company, its predecessors, affiliates or their respective directors, officers, managers, members, shareholders, partners, employees or agents due to, arising out of or relating to (i) the Prior Employment Agreement, the obligations of the Company and Executive under the Prior Employment Agreement, the termination of the Prior Employment Agreement, or the services performed by Executive prior to the Commencement Date (whether pursuant to the Prior Employment Agreement, the JBT Agreement or otherwise), or (ii) any other employment or consulting agreement or arrangement entered into on or prior to the date of this Agreement, or any other financial or economic agreement, arrangement or understanding (including, without limitation, any claim to severance benefits or compensation of any kind) entered into on or prior to the date of this Agreement. Except as otherwise expressly provided herein, this Agreement may not be amended except by an instrument in writing executed by the Company and the Executive.

15. **ASSIGNMENT**. The Executive shall not be permitted to assign this Agreement or any rights or obligations hereunder without the prior written consent of the Company.
16. **GOVERNING LAW; JURISDICTION**. This Agreement shall be construed and enforced in accordance with and governed by the laws of the Commonwealth of Massachusetts without giving effect to the principles of conflicts of laws thereof. The parties hereby consent and submit to the exclusive jurisdiction and venue of the courts located in Boston, Massachusetts in connection with any actions or proceedings brought against either of them (or each of them) arising out of or relating to this Agreement.
17. **MISCELLANEOUS**. No waiver by either party of any term or condition of this Agreement, whether by conduct or otherwise, in any one or more instance, shall be deemed a continuing waiver of any such term or condition, or a waiver of any other term or condition of this Agreement. Headings set forth in this Agreement are solely for the convenience of the parties and have no legal effect. If any provision of this Agreement shall be found to be invalid by any court having competent jurisdiction, the invalidity of such provision shall not affect the validity of the remaining provisions hereof. This Agreement shall be (i) binding upon, and will inure to the benefit of, the parties and their permitted respective successors and assigns, (ii) construed without presumption of any rule requiring construction to be made against the party causing it to be drafted and (iii) executed in any number of counterparts, each of which will for all purposes be deemed to be an Prior, and all of which are identical.
18. **TAX WITHHOLDING**. The Company or other payor is authorized to withhold from any benefit provided or payment due hereunder, the amount of withholding taxes due any federal, state or local authority in respect of such benefit or payment and to take such other action as may be necessary in the opinion of the Board to satisfy all obligations for the payment of such withholding taxes. The Executive will be solely responsible for all taxes assessed against him with respect to the compensation and benefits described in this Agreement, other than typical employer-paid taxes such as FICA, and the Company makes no representations as to the tax treatment of such compensation and benefits.

19. **SECTION 409A COMPLIANCE.** All payments under this Agreement are intended to comply with or be exempt from the requirements of Section 409A of the Code and regulations promulgated thereunder (“Section 409A”). As used in this Agreement, the “Code” means the Internal Revenue Code of 1986, as amended. To the extent permitted under applicable regulations and/or other guidance of general applicability issued pursuant to Section 409A, the Company reserves the right to modify this Agreement to conform with any or all relevant provisions regarding compensation and/or benefits so that such compensation and benefits are exempt from the provisions of 409A and/or otherwise comply with such provisions so as to avoid the tax consequences set forth in Section 409A and to assure that no payment or benefit shall be subject to an “additional tax” under Section 409A. To the extent that any provision in this Agreement is ambiguous as to its compliance with Section 409A, or to the extent any provision in this Agreement must be modified to comply with Section 409A, such provision shall be read in such a manner so that no payment due to the Executive shall be subject to an “additional tax” within the meaning of Section 409A(a)(1)(B) of the Code. If necessary to comply with the restriction in Section 409A(a)(2)(B) of the Code concerning payments to “specified employees,” any payment on account of the Executive’s separation from service that would otherwise be due hereunder within six (6) months after such separation shall be delayed until the first business day of the seventh month following the date of termination of employment and the first such payment shall include the cumulative amount of any payments (without interest) that would have been paid prior to such date if not for such restriction. Each payment in a series of payments hereunder shall be deemed to be a separate payment for purposes of Section 409A. In no event may the Executive, directly or indirectly, designate the calendar year of payment. All reimbursements provided under this Agreement shall be made or provided in accordance with the requirements of Section 409A, including, where applicable, the requirement that (i) any reimbursement is for expenses incurred during the Executive’s lifetime (or during a shorter period of time specified in this Agreement), (ii) the amount of expenses eligible for reimbursement during a calendar year may not affect the expenses eligible for reimbursement in any other calendar year, (iii) the reimbursement of an eligible expense will be made on or before the last day of the calendar year following the year in which the expense is incurred, and (iv) the right to reimbursement is not subject to liquidation or exchange for another benefit. In no event whatsoever shall the Company be liable for any additional tax, interest or penalty that may be imposed on the Executive by Section 409A or damages for failing to comply with Section 409A.

20. 280G MODIFIED CUTBACK.

- (a) If any payment, benefit or distribution of any type to or for the benefit of the Executive, whether paid or payable, provided or to be provided, or distributed or distributable pursuant to the terms of this Agreement or otherwise (collectively, the "Parachute Payments") would subject the Executive to the excise tax imposed under Section 4999 of the Code (the "Excise Tax"), the Parachute Payments shall be reduced so that the maximum amount of the Parachute Payments (after reduction) shall be one dollar (\$1.00) less than the amount which would cause the Parachute Payments to be subject to the Excise Tax; provided that the Parachute Payments shall only be reduced to the extent the after-tax value of amounts received by the Executive after application of the above reduction would exceed the after-tax value of the amounts received without application of such reduction. For this purpose, the after-tax value of an amount shall be determined taking into account all federal, state, and local income, employment and excise taxes applicable to such amount. Unless the Executive shall have given prior written notice to the Company to effectuate a reduction in the Parachute Payments if such a reduction is required, which notice shall be consistent with the requirements of Section 409A to avoid the imputation of any tax, penalty or interest thereunder, then the Company shall reduce or eliminate the Parachute Payments by first reducing or eliminating accelerated vesting of stock options or similar awards, then reducing or eliminating any cash payments (with the payments to be made furthest in the future being reduced first), then by reducing or eliminating any other remaining Parachute Payments; provided, that no such reduction or elimination shall apply to any non-qualified deferred compensation amounts (within the meaning of Section 409A) to the extent such reduction or elimination would accelerate or defer the timing of such payment in manner that does not comply with Section 409A.
- (b) An initial determination as to whether (x) any of the Parachute Payments received by the Executive in connection with the occurrence of a change in the ownership or control of the Company or in the ownership of a substantial portion of the assets of the Company shall be subject to the Excise Tax, and (y) the amount of any reduction, if any, that may be required pursuant to the previous paragraph, shall be made by an independent accounting firm selected by the Company (the "Accounting Firm") prior to the consummation of such change in the ownership or effective control of the Company or in the ownership of a substantial portion of the assets of the Company. The Executive shall be furnished with notice of all determinations made as to the Excise Tax payable with respect to the Executive's Parachute Payments, together with the related calculations of the Accounting Firm, promptly after such determinations and calculations have been received by the Company.
- (c) For purposes of this Section 20, (i) no portion of the Parachute Payments the receipt or enjoyment of which the Executive shall have effectively waived in writing prior to the date of payment of the Parachute Payments shall be taken into account; (ii) no portion of the Parachute Payments shall be taken into account which in the opinion of the Accounting Firm does not constitute a "parachute payment" within the meaning of Section 280G(b)(2) of the Code; (iii) the Parachute Payments shall be reduced only to the extent necessary so that the Parachute Payments (other than those referred to in the immediately preceding clause (i) or (ii)) in their entirety constitute reasonable compensation for services actually rendered within the meaning of Section 280G(b)(4) of the Code or are otherwise not subject to disallowance as deductions, in the opinion of the auditor or tax counsel referred to in such clause (ii); and (iv) the value of any non-cash benefit or any deferred payment or benefit included in the Parachute Payments shall be determined by the Company's independent auditors based on Sections 280G and 4999 of the Code and the regulations for applying those sections of the Code, or on substantial authority within the meaning of Section 6662 of the Code.

IN WITNESS WHEREOF, the undersigned have executed this Employment Agreement as of the Effective Date.

CORBUS PHARMACEUTICALS HOLDINGS, INC.

By: \_\_\_\_\_  
Name: Yuval Cohen, Ph.D.  
Title: Chief Executive Officer

By: \_\_\_\_\_  
Sean Moran  
Address: [\*]

**Schedule A**

**Executive Statement Regarding Prior Work Product**

Except as set forth below, the Executive acknowledges that at this time he has not made or reduced to practice (alone or jointly with others) any Work Product relevant to the subject matter of his retention by Corbus Pharmaceuticals Holdings, Inc. except those (if any) listed below:

*[List any applicable Work Product or write "None".]*

[If you need more space please attach a separate continuation sheet]

The Executive certifies that the foregoing is true, accurate and complete.

The Executive's Name: \_\_\_\_\_

Date: \_\_\_\_\_

Signature: \_\_\_\_\_

**AGREEMENT AND PLAN OF MERGER**

**by and among**

**CORBUS PHARMACEUTICALS HOLDINGS, INC,**

**CORBUS PHARMACEUTICALS ACQUISITION, INC.,**

**and**

**JB THERAPEUTICS, INC.**

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**Dated as of March 27, 2014**

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## AGREEMENT AND PLAN OF MERGER

THIS AGREEMENT AND PLAN OF MERGER, dated as of March 27, 2014 (this “**Agreement**”), by and among Corbus Pharmaceuticals Holdings, Inc., a Delaware corporation (“**Parent**”), Corbus Pharmaceuticals Acquisition, Inc., a Delaware corporation and wholly owned subsidiary of Parent (“**Merger Sub**”), JB Therapeutics, Inc., a Delaware corporation (the “**Company**”), and Yuval Cohen, as Stockholder Representative (the “**Stockholder Representative**”).

WHEREAS, the parties intend that Merger Sub be merged with and into the Company (the “**Merger**”) with the Company surviving the Merger on the terms and subject to the conditions set forth in this Agreement;

WHEREAS, as a condition to the Merger, each of the Company Stockholders (as defined herein) listed on Schedule 1 is entering into a voting agreement with Parent and the stockholders of Parent immediately prior to the Effective Time (as defined herein) (the “**Voting Agreement**”);

WHEREAS, concurrently with the execution and delivery of this Agreement, and as a condition and inducement to Parent’s willingness to enter into this Agreement, Parent and the Company will enter into a Placement Agency Agreement with Aegis Capital Corp, dated the date hereof, pursuant to which Parent shall complete the closing of a private placement offering in the amount of at least Four Million Five Hundred Thousand Dollars (\$4,500,000) (the “**Private Placement**”) concurrently with, and as a condition to, the Merger under this Agreement;

WHEREAS the Board of Directors of the Company has (i) determined that it is in the best interests of the Company and its stockholders, and declared it advisable, to enter into this Agreement, (ii) approved this Agreement in accordance with the General Corporation Law of the State of Delaware (the “**DGCL**”), and (iii) resolved to recommend the adoption of this Agreement by the stockholders of the Company; and

WHEREAS, the Board of Directors of each of Parent and Merger Sub has approved and declared it advisable for Parent and Merger Sub, as the case may be, to enter into, this Agreement and consummate the Merger.

NOW, THEREFORE, in consideration of the premises and the mutual covenants and agreements hereinafter contained, the parties hereby agree as follows:

### ARTICLE I The Merger

1.01. The Merger. On the terms and subject to the conditions of this Agreement and in accordance with the DGCL, at the Effective Time (as defined herein), Merger Sub shall be merged with and into the Company. As a result of the Merger, the separate corporate existence of Merger Sub shall cease and the Company shall continue as the surviving corporation of the Merger (the “**Surviving Corporation**”) and a wholly owned subsidiary of Parent.

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1.02. Closing: Effective Time.

(a) The closing of the Merger (the “**Closing**”) shall take place at the offices of Lowenstein Sandler LLP, 1251 Avenue of the Americas, New York, New York on the third business day after all of the conditions to the Closing set forth in ARTICLE VI hereof are satisfied or waived (excluding conditions that, by their terms, cannot be satisfied until the Closing, but subject to the satisfaction or waiver of such conditions). The date on which the Closing actually occurs is hereinafter referred to as the “**Closing Date.**”

(b) At the Closing, the parties hereto shall cause the Merger to be consummated by filing a certificate of merger (the “**Certificate of Merger**”) with the Secretary of State of the State of Delaware, in such form as required by, and executed and filed in accordance with, the relevant provisions of the DGCL (the date and time of the filing of the Certificate of Merger with the Secretary of State of the State of Delaware, or such later time as is specified in the Certificate of Merger and as is agreed to by the parties hereto, being hereinafter referred to as the “**Effective Time**”), and shall make all other filings or recordings required under the DGCL in connection with the Merger.

1.03. Effects of the Merger. The Merger shall have the effects set forth in this Agreement and the applicable provisions of the DGCL. Without limiting the generality of the foregoing and subject thereto, at the Effective Time, all the property, rights, privileges, immunities, powers and franchises of the Company and Merger Sub shall vest in the Surviving Corporation and all debts, liabilities and duties of the Company and Merger Sub shall become the debts, liabilities and duties of the Surviving Corporation.

1.04. Certificate of Incorporation: Bylaws.

(a) At the Effective Time, the certificate of incorporation of Merger Sub in effect immediately prior to the Effective Time shall be the certificate of incorporation of the Surviving Corporation as of the Effective Time until thereafter amended in accordance with the DGCL; provided, however, that at the Effective Time, Article I of the certificate of incorporation of the Surviving Corporation shall be amended and restated in its entirety to read as follows: “The name of the corporation is Corbus Pharmaceuticals, Inc.”

(b) At the Effective Time, the bylaws of Merger Sub as in effect immediately prior to the Effective Time shall be the bylaws of the Surviving Corporation as of the Effective Time until thereafter amended in accordance with the DGCL and as provided in the certificate of incorporation of the Surviving Corporation and such bylaws.

1.05. Directors and Officers.

(a) At the Effective Time, the directors of Merger Sub shall be the individuals set forth on Schedule 1.05(a), each to hold the office of a director of the Surviving Corporation in accordance with the DGCL and the certificate of incorporation and bylaws of the Surviving Corporation until his or her successor is duly elected and qualified.

(b) Immediately following the Effective Time, the directors of the Surviving Corporation as of the Effective Time, shall take all actions necessary to appoint the individuals set for on Schedule 1.05(b) as the officers of the Surviving Corporation, each to hold office in accordance with the provisions of the bylaws of the Surviving Corporation. The directors and officers of the Company immediately prior to the Effective Time shall submit their resignations to be effective as of the Effective Time, which resignations shall be a condition of the Merger.

## ARTICLE II

### **Effect of the Merger on the Capital Stock of the Constituent Corporations**

2.01. Effect on Capital Stock. At the Effective Time, by virtue of the Merger and without any action on the part of the Company, Parent, Merger Sub or any Company Stockholder (as defined herein) of any of the following securities:

(a) Conversion of Common Stock and Preferred Stock.

(i) All of the outstanding shares of common stock, \$0.001 par value per share (the “**Common Stock**”) of the Company issued and outstanding immediately prior to the Effective Time (each, a “**Common Share**”), other than any Cancelled Shares (as defined herein), shall be converted into the right to receive, in the aggregate:

(A) 6,964,788 shares of Parent common stock (the “**Parent Common Stock**”), par value \$0.0001 (the “**Common Stock Consideration**”).

(ii) All of the outstanding shares of Series A Convertible Preferred Stock, \$0.001 par value per share (the “**Series A Convertible Preferred Stock**”) of the Company issued and outstanding immediately prior to the Effective Time (each, a “**Series A Convertible Preferred Share**”), other than any Cancelled Shares, shall be converted into the right to receive, in the aggregate:

(A) 1,835,212 shares of Parent Common Stock; and

(B) 917,612 warrants, equal to one warrant for every two Series A Convertible Preferred Shares owned, each warrant to purchase one share of Parent Common Stock over a five year period at an exercise price of \$1.00 per share (the “**Warrants**” and together with the number of shares of Parent Common Stock set forth in Section 2.01(a)(ii) the “**Series A Convertible Preferred Stock Consideration**”).

(iii) All of the outstanding shares of Series A Non-Convertible Preferred Stock, \$0.001 par value per share (the “**Series A Non-Convertible Preferred Stock**” and together with the Series A Convertible Preferred Stock, the “**Preferred Stock**,” and together with the Common Stock, the “**Company Stock**”) of the Company issued and outstanding immediately prior to the Effective Time (each, a “**Series A Non-Convertible Preferred Share**” and together with the Series A Convertible Preferred Shares and the Common Shares, the “**Shares**”), other than any Cancelled Shares, shall be converted into the right to receive, in the aggregate:

(A) 200,000 shares of Parent Common Stock (the “**Series A Non-Convertible Preferred Stock Consideration**” and together with the Series A Convertible Preferred Stock Consideration, the “**Preferred Stock Consideration**”).

Collectively, the Common Stock Consideration and the Preferred Stock Consideration are referred to as the “**Merger Consideration.**” The aggregate Merger Consideration shall consist of 9,000,000 shares of Parent Common Stock and warrants to purchase an aggregate of 917,612 shares of Parent Common Stock and shall be distributed in the manner provided by Section 2.02 and as set forth on Exhibit A.

(b) Exchange of Company Options and Warrants.

(i) Effective as of the Effective Time, each issued and outstanding option (but excluding Company Warrants (as defined below)) to purchase or otherwise acquire shares of Common Stock of the Company held by any Person (each a “**Company Option**”), whether vested or unvested, that is outstanding and unexercised as of immediately prior to the Effective Time shall be substituted by Parent for an option to acquire shares of Parent Common Stock (each a “**Replacement Option**”). Except as otherwise set forth in this Agreement, each Company Option so substituted by Parent pursuant to this Section 2.01(b) shall continue to have, and be subject to, substantially the same terms and conditions (including vesting terms) as in effect immediately prior to the Effective Time, except that (x) such substituted Company Option shall be exercisable for that number of whole shares of Parent Common Stock equal to the product of the number of shares of Company Common Stock that were issuable upon exercise of such Company Option immediately prior to the Effective Time multiplied by the exchange ratio used to determine the Common Stock Consideration set forth in Section 2.01(a)(i), rounded up to the nearest whole number of shares of Parent Common Stock and (y) the per share exercise price for the shares of Parent Common Stock issuable upon exercise of such substituted Company Option shall be equal to the quotient obtained by dividing the exercise price per share of Company Common Stock at which such substituted Company Option was exercisable immediately prior to the Closing Date by such ratio, rounded up to the nearest whole cent. Notwithstanding anything herein to the contrary, the exercise price of the Replacement Option, the number of shares purchasable pursuant to the Replacement Option and the terms and conditions of exercise of the Replacement Option shall in all events be determined in order to comply with Section 409A of the Internal Revenue Code of 1986, as amended (“Code”), and in the case of any Company Option to which Section 421 of the Code applies by reason of its qualification under Section 422 of the Code, Section 424 of the Code.

(ii) Effective as of the Effective Time, each issued and outstanding warrant (but excluding Company Options) to purchase or otherwise acquire shares of Common Stock of the Company held by any Person (each a “**Company Warrant**”), whether vested or unvested, that is outstanding and unexercised as of immediately prior to the Effective Time shall be substituted by Parent for a warrant to acquire shares of Parent Common Stock (each a “**Replacement Warrant**”). Except as otherwise set forth in this Agreement, each Company Warrant so assumed by Parent pursuant to this Section 2.01(b) shall continue to have, and be subject to, substantially the same terms and conditions (including vesting terms) as in effect immediately prior to the Effective Time, except that (x) such substituted Company Warrant shall be exercisable for that number of whole shares of Parent Common Stock equal to the product of the number of shares of Company Common Stock that were issuable upon exercise of such Company Warrant immediately prior to the Effective Time multiplied by the exchange ratio used to determine the Common Stock Consideration set forth in Section 2.01(a)(i), rounded up to the nearest whole number of shares of Parent Common Stock and (y) the per share exercise price for the shares of Parent Common Stock issuable upon exercise of such substituted Company Warrant shall be equal to the quotient obtained by dividing the exercise price per share of Company Common Stock at which such assumed Company Warrant was exercisable immediately prior to the Closing Date by such ratio, rounded up to the nearest whole cent.

(c) Conversion of Merger Sub Common Stock. Each share of capital stock of Merger Sub issued and outstanding immediately prior to the Effective Time shall be converted into and become one validly issued, fully paid and nonassessable share of common stock of the Surviving Corporation.

(d) Cancelled Shares. Each Share that is held in treasury by the Company immediately prior to the Effective Time (the “**Cancelled Shares**”) shall, by virtue of the Merger and without any action on the part of the holder thereof, be cancelled and shall cease to exist, and no consideration shall be delivered in exchange for such cancellation.

(e) Cancellation of Shares at Effective Time. At the Effective Time, all Shares issued and outstanding immediately prior to the Effective Time shall no longer be outstanding and such Shares shall be cancelled and retired and shall cease to exist, and each certificate (a “**Certificate**”) formerly representing any such Shares (other than such shares held by the Company) shall thereafter represent only the right to receive the applicable portion of the Merger Consideration.

2.02. Consideration. At the Effective Time, Parent shall make the following distributions, in each case in accordance with the final Aggregate Consideration Schedule (the “**Aggregate Consideration Schedule**”) delivered pursuant to Section 2.03:

(a) Parent shall issue or cause its transfer agent to issue to each holder of Common Stock, shares of the Common Stock Consideration, as adjusted pursuant to this Agreement as set forth in the Aggregate Consideration Schedule.

(b) Parent shall issue or cause its transfer agent to issue to each holder of Preferred Stock, Shares of the Preferred Stock Consideration, as adjusted pursuant to this Agreement as set forth in the Aggregate Consideration Schedule.

(c) Prior to any such disbursement and/or issuance to any Company Stockholder pursuant to Sections 2.02(a) and 2.02(b), such Company Stockholder shall have delivered to Parent such Company Stockholder’s Certificate (or in lieu thereof, such documentation as may be requested by Parent to comply with Section 2.04 below) and such Certificate shall forthwith be cancelled. All Merger Consideration issued upon the surrender for exchange of Certificates shall be deemed to have been issued in full satisfaction of all rights pertaining to the shares of Company Stock previously represented by such Certificates, and at the Effective Time the stock transfer books of the Company shall be closed and there shall be no further registration or transfers on the stock transfer books of the Surviving Company of the shares of Company Stock that were outstanding immediately prior to the Effective Time.

(d) No certificates for fractional shares of Parent Common Stock or Warrants to purchase fractional shares of Parent Common Stock shall be issued. In lieu of any fractional shares or Warrants to purchase a fractional share to which the Company Stockholders would otherwise be entitled as a result of the distributions provided for herein, all stock issuances of Parent Common Stock or Warrant amounts shall be rounded down to the nearest whole share, so that no more than the whole number of shares or Warrants represented by the Merger Consideration, if any, shall be issued.

2.03. Aggregate Consideration Schedule. Attached hereto as **Exhibit A** is the Aggregate Consideration Schedule setting forth the calculation of the amounts for distribution in accordance with Section 2.02.

2.04. Lost, Stolen or Destroyed Certificates. In the event any Certificates shall have been lost, stolen or destroyed, the agent shall make such payment in exchange for such lost, stolen or destroyed Certificates upon the making of an affidavit of that fact by the holder thereof.

2.05. Adjustments. Without limiting the other provisions of this Agreement, if at any time during the period between the date of this Agreement and the Effective Time, any change in the number of outstanding Shares of Parent (or securities convertible or exchangeable into or exercisable for Shares) shall occur as a result of a reclassification, recapitalization, stock split (including a reverse stock split), or combination, exchange or readjustment of shares, merger or any stock dividend or stock distribution with a record date during such period, the Merger Consideration shall be correspondingly adjusted to reflect such change.

2.06. Withholding. Notwithstanding any other provision in this Agreement, Parent, the Surviving Corporation or any other Person that has any withholding obligation with respect to any payment made pursuant to this Agreement shall be entitled to deduct and withhold, or cause to be deducted and withheld, from the consideration payable or otherwise deliverable to any Person pursuant to this Agreement such amounts as may be required to be deducted and withheld under any provisions of federal, local or foreign tax law or under any applicable legal requirements. To the extent that amounts are so deducted or withheld, such deducted or withheld amounts shall be treated for all purposes of this Agreement as having been paid to the Person in respect of whom such deduction and withholding was made.

**ARTICLE III**  
**Representations and Warranties Relating to the Company**

The Company represents and warrants to Parent as follows:

3.01. Organization; Capitalization.

(a) The Company is duly organized and validly existing in good standing under the laws of the jurisdiction in which it was formed, and has the requisite power and authority to own its properties and to carry on its business as now being conducted. The Company is not a party to any joint venture and does not directly or indirectly own or hold capital stock or an equity or similar interest in any entity. The Company is duly qualified as a foreign entity to do business and is in good standing in every jurisdiction in which its ownership of property or the nature of the business conducted by it makes such qualification necessary, except to the extent that the failure to be so qualified or be in good standing would not have a Material Adverse Effect on the Company.

(b) The authorized capital stock of the Company consists of (i) 15,000,000 shares of Common Stock, and (ii) 6,000,000 shares of Preferred Stock of which 200,000 shares are designated as Series A Non-Convertible Preferred Stock, 1,627,000 are designated as Series A Convertible Preferred Stock, and 4,173,000 are undesignated. As of the date of this Agreement and the Closing, there are (i) 4,562,450 Common Shares issued and outstanding; and (ii) 1,402,199 shares of Preferred Stock issued and outstanding, of which 200,000 are Series A Non-Convertible Preferred Stock and 1,202,199 are Series A Convertible Preferred Stock. Schedule 3.01(b) sets forth (A) a complete and accurate list of all holders of Common Shares, Series A Convertible Preferred Shares and Series A Non-Convertible Preferred Shares, indicating the number of Common Shares, Series A Convertible Preferred Shares and Series A Non-Convertible Preferred Shares held by each holder; (B) all stock option plans and other stock or equity-related plans of the Company and (C) all warrants outstanding. All of the issued and outstanding Shares are duly authorized, validly issued, fully paid, nonassessable and free of all preemptive rights. Other than as listed in Schedule 3.01(b), there are no outstanding or authorized options, warrants, rights, agreements or commitments to which the Company is a party or which are binding upon the Company providing for the issuance or redemption of any of its capital stock. Other than as listed in Schedule 3.01(b), there are no outstanding or authorized stock appreciation, phantom stock or similar rights with respect to the Company. Except as set forth in Schedule 3.01(b), there are no agreements to which the Company is a party or by which it is bound with respect to the voting (including without limitation voting trusts or proxies), registration under the Securities Act of 1933, as amended, or sale or transfer (including without limitation agreements relating to pre-emptive rights, rights of first refusal, co-sale rights or “drag-along” rights) of any securities of the Company. To the knowledge of the Company, there are no agreements among other parties, to which the Company is not a party and by which it is not bound, with respect to the voting (including without limitation voting trusts or proxies) or sale or transfer (including without limitation agreements relating to rights of first refusal, co-sale rights or “drag-along” rights) of any securities of the Company. All of the issued and outstanding Company Shares were issued in compliance with applicable federal and state securities laws.

3.02. Authority; Execution and Delivery; Enforceability.

(a) The Company has all requisite power, authority and legal capacity to execute and deliver this Agreement and each Ancillary Agreement to which the Company is a party, to perform its obligations hereunder and thereunder and to consummate the Merger and the other transactions contemplated hereby and thereby. The execution, delivery and performance of this Agreement and the Ancillary Agreements to which the Company is a party, and the consummation of the transactions contemplated hereby and thereby, have been duly authorized and approved by all required action on the part of the Company and, except for (i) the adoption of this Agreement and the Ancillary Agreements and the transactions contemplated hereunder and thereunder by the holders of the Company Stock and (ii) the filing and recordation of appropriate merger documents as required by the DGCL, no other corporate or other proceedings on the part of the Company are necessary to authorize this Agreement, the Ancillary Agreements and the transactions contemplated hereby or thereby.



(b) When received by the Company, the requisite consent of the Company Stockholders along with a completed questionnaire from each stockholder containing customary representations for a private placement in a manner reasonably acceptable to Parent (collectively, the “**Stockholders’ Consent**”) shall comply in all respects with the Company’s certificate of incorporation and bylaws and the DGCL, no other vote of or action by the stockholders of the Company is required to adopt and approve this Agreement or to consummate the Merger or the other transactions contemplated hereby.

(c) This Agreement has been duly authorized, executed and delivered and constitutes, the valid and binding obligations of the Company, enforceable against the Company in accordance with its terms (i) except as enforceability may be limited by applicable bankruptcy, insolvency, reorganization, moratorium or other similar laws now or hereafter in effect related to laws affecting creditors’ rights generally, including the effect of statutory and other laws regarding fraudulent conveyances and preferential transfers, and except that no representation is made herein regarding the enforceability of the Company’s obligations to provide indemnification and contribution remedies under the securities laws and (ii) subject to the limitations imposed by general equitable principles (regardless of whether such enforceability is considered in a proceeding at law or in equity).

3.03. No Conflicts. None of the execution and delivery of or performance by the Company under this Agreement or the consummation of the transactions herein contemplated conflicts with or violates, or will result in the creation or imposition of, any lien, charge or other encumbrance upon any of the assets of the Company under any agreement or other instrument to which the Company is a party or by which the Company or its assets may be bound, or any term of the certificate of incorporation or by-laws of the Company, or any license, permit, judgment, decree, order, statute, rule or regulation applicable to the Company or any of its assets, except in the case of a conflict, violation, lien, charge or other encumbrance (except with respect to the Company’s Certificate of Incorporation or By-laws) which would not reasonably be expected to, have an Material Adverse Effect on the Company.

3.04. Financial Statements.

(a) The Company’s unaudited financial statements as and for the period ended December 31, 2013 (the “**Financial Statements**”), together with the related notes, if any, present fairly, in all material respects, the financial position of the Company as of the dates specified and the results of operations for the periods covered thereby. Such financial statements and related notes were prepared to conform with United States generally accepted accounting principles applied on a consistent basis throughout the periods indicated. Except as set forth in such Financial Statements, the Company has no known material liabilities of any kind, whether accrued, absolute, contingent, or otherwise. All other financial and statistical information provided to the Parent by the Company with respect to the Company present fairly in all material respects the information shown therein on a basis consistent with the Financial Statements of the Company. The Company does not know of any facts, circumstances or conditions which could reasonably be expected to have a Material Adverse Effect, except as set forth on Schedule 3.04(a).

(b) Except as set forth on Schedule 3.04(b), since the date of the Company's most recent Financial Statements, there has been no Material Adverse Effect on the Company. Except as set forth on Schedule 3.04(b), since the date of the Company's most recent Financial Statements, the Company has not (i) declared or paid any dividends, (ii) sold any assets, individually or in the aggregate, in excess of \$75,000 outside of the ordinary course of business or (iii) had capital expenditures, individually or in the aggregate, in excess of \$75,000. The Company has not taken any steps to seek protection pursuant to any bankruptcy law nor does the Company have any knowledge or reason to believe that its creditors intend to initiate involuntary bankruptcy proceedings or any actual knowledge of any fact which would reasonably lead a creditor to do so.

3.05. Indebtedness. Except as set forth on Schedule 3.05, the Company (i) has no outstanding Indebtedness (as defined herein) in excess of \$1,000,000, (ii) is not a party to any contract, agreement or instrument, the violation of which, or default under which, by the other party(ies) to such contract, agreement or instrument would result in a Material Adverse Effect, or (iii) is not in violation of any term of or in default under any contract, agreement or instrument relating to any Indebtedness, except where such violations and defaults would not result, individually or in the aggregate, in a Material Adverse Effect.

3.06. Governmental Authorizations. The conduct of business by the Company as presently, and proposed to be conducted as set forth in that certain Confidential Private Placement Memorandum dated March 27, 2014 (the "**Memorandum**"), is subject to continuing oversight, supervision, regulation or examination by any governmental official or body of the United States, or any other jurisdiction wherein the Company conducts, or proposes to conduct, such business, as described in the Memorandum. The Company has obtained all material licenses, permits and other governmental authorizations necessary to conduct its business as presently conducted. The Company has not received any written notice of any violation of, or noncompliance with, any federal, state, local or foreign laws, ordinances, regulations and orders (including, without limitation, those relating to environmental protection, occupational safety and health, securities laws, equal employment opportunity, consumer protection, credit reporting, "truth-in-lending", and warranties and trade practices) applicable to its business, the violation of, or noncompliance with, would have an Material Adverse Effect on the Company, and the Company knows of no facts or set of circumstances which could give rise to such a notice.

3.07. Company Agreements. Except as set forth on Schedule 3.07, no default by the Company or, to the knowledge of the Company, any other party, exists in the due performance under any material agreement to which the Company is a party or to which any of its assets is subject (collectively, the "**Company Agreements**"). The Company Agreements are in full force and effect in accordance with their respective terms, subject to any applicable bankruptcy, insolvency or other laws affecting the rights of creditors generally and to general equitable principles and the availability of specific performance.

3.08. Intellectual Property. The Company owns all right, title and interest in, or possesses enforceable rights to use, all patents, patent applications, trademarks, service marks, copyrights, rights, licenses, franchises, trade secrets, confidential information, processes and formulations necessary for the conduct of its business as now conducted (collectively, the “**Intellectual Property**”). To the knowledge of the Company, the Company has not infringed upon the rights of others with respect to the Intellectual Property and, except as set forth on Schedule 3.08, the Company has not received written notice that it has or may have infringed or is infringing upon the rights of others with respect to the Intellectual Property, or any written notice of conflict with the asserted rights of others with respect to the Intellectual Property. To the knowledge of the Company, no others have infringed upon the rights of the Company with respect to the Intellectual Property. Except as set forth on Schedule 3.08, none of the Company’s Intellectual Property have expired or terminated, or are expected to expire or terminate, within three years from the date of this Agreement.

3.09. Employee Matters. The Company is not a party to any collective bargaining agreement nor does it employ any member of a union. No executive officer of the Company (as defined in Rule 501(f) of the Act) has notified the Company that such officer intends to leave the Company or otherwise terminate such officer’s employment with the Company. No executive officer of the Company, to the knowledge of the Company, is in violation of any material term of any employment contract, confidentiality, disclosure or proprietary information agreement, non-competition agreement, or any other contract or agreement or any restrictive covenant, and the continued employment of each such executive officer does not subject the Company to any liability with respect to any of the foregoing matters. The Company is in compliance with all federal, state, local and foreign laws and regulations respecting labor, employment and employment practices and benefits, terms and conditions of employment and wages and hours, except where failure to be in compliance would not, either individually or in the aggregate, reasonably be expected to result in a Material Adverse Effect on the Company.

3.10. Proceedings. Except as set forth on Schedule 3.10, there are no actions, suits, claims, hearings or proceedings pending before any court or governmental authority or, to the knowledge of the Company, threatened, against the Company, or involving its assets or any of its officers or directors (in their capacity as such) which, if determined adversely to the Company or such officer or director, could reasonably be expected to have a Material Adverse Effect on the Company or adversely affect the transactions contemplated by this Agreement or the enforceability thereof.

3.11. Compliance. The Company is not: (i) in violation of its Certificate of Incorporation or By-laws; (ii) in default of any indenture, mortgage, deed of trust, note or other agreement or instrument to which the Company is a party or by which it is or may be bound or to which any of its assets may be subject, the default of which could reasonably be expected to have a Material Adverse Effect on the Company; (iii) in violation of any statute, rule or regulation applicable to the Company, the violation of which would have a Material Adverse Effect on the Company; or (iv) in violation of any judgment, decree or order of any court or governmental body having jurisdiction over the Company and specifically naming the Company, which violation or violations individually, or in the aggregate, could reasonably be expected to have a Material Adverse Effect on the Company.

3.12. Related Party Transactions. Except as set forth on Schedule 3.12, as of the date of this Agreement, no current or former stockholder, director, officer or employee of the Company, nor, to the knowledge of the Company, any affiliate of any such person is presently, directly or indirectly through his affiliation with any other person or entity, a party to any loan from the Company or any other transaction (other than as an employee) with the Company providing for the furnishing of services by, or rental of any personal property from, or otherwise requiring cash payments to any such person.

3.13. Taxes. Except as set forth on Schedule 3.13, the Company has filed, on a timely basis, each federal, state, local and foreign tax return, report and declarations that were required to be filed, or has requested an extension therefor and has paid all taxes and all related assessments, charges, penalties and interest to the extent that the same have become due. There are no unpaid taxes in any material amount claimed to be due by the taxing authority of any jurisdiction, and the officers of the Company know of no basis for any such claim. The Company has not executed a waiver with respect to the statute of limitations relating to the assessment or collection of any foreign, federal, state or local tax. To the Company's knowledge, none of the Company's tax returns are presently being audited by any taxing authority. No liens have been filed and no claims are being asserted by or against the Company with respect to any taxes (other than liens for taxes not yet due and payable). The Company has not received written notice of assessment or proposed assessment of any taxes claimed to be owed by it or any other Person on its behalf. The Company is not a party to any tax sharing or tax indemnity agreement or any other agreement of a similar nature that remains in effect. The Company has complied in all material respects with all applicable legal requirements relating to the payment and withholding of taxes and, within the time and in the manner prescribed by law, has withheld from wages, fees and other payments and paid over to the proper governmental or regulatory authorities all amounts required.

**ARTICLE IV**  
**Representations and Warranties of Parent**

Parent and Merger Sub hereby, jointly and severally, represent and warrant to the Company as follows:

4.01. Organization; Capitalization.

(a) Each of Parent and Merger Sub is duly organized and validly existing in good standing under the laws of the jurisdiction in which it was formed, and has the requisite power and authority to own its properties and to carry on its business as now being conducted. Neither Parent nor Merger Sub is a party to any joint venture and neither directly or indirectly own or hold capital stock or an equity or similar interest in any entity. Each of Parent and Merger Sub is duly qualified as a foreign entity to do business and is in good standing in every jurisdiction in which its ownership of property or the nature of the business conducted by it makes such qualification necessary, except to the extent that the failure to be so qualified or be in good standing would not have a Material Adverse Effect on Parent or Merger Sub, as applicable. Each of Parent and Merger Sub owns, directly or indirectly, all of the capital stock or other equity interests of each subsidiary free and clear of any liens, and all the issued and outstanding securities of capital stock of each subsidiary are validly issued and are fully paid, non-assessable and free of preemptive and similar rights to subscribe for or purchase securities.

(b) The authorized capital stock of the Parent consists of 150,000,000 shares of Parent Common Stock, of which 6,000,000 shares were issued and outstanding as of the date of this Agreement, and 10,000,000 shares of preferred stock, par value \$0.0001 per share, none of which was issued and outstanding as of the date of this Agreement. All of the issued and outstanding shares of Parent Common Stock are duly authorized, validly issued, fully paid, nonassessable and free of all preemptive rights. There are no outstanding or authorized, warrants, options to purchase common stock, stock appreciation, phantom stock or similar rights with respect to the Parent. There are no agreements to which the Parent is a party or by which it is bound with respect to the voting (including without limitation voting trusts or proxies), registration under the Securities Act of 1933, as amended, or sale or transfer (including without limitation agreements relating to preemptive rights, rights of first refusal, co-sale rights or “drag-along” rights) of any securities of the Parent. There are no agreements among other parties, to which the Parent is not a party and by which it is not bound, with respect to the voting (including without limitation voting trusts or proxies) or sale or transfer (including without limitation agreements relating to rights of first refusal, co-sale rights or “drag-along” rights) of any securities of the Parent. All of the issued and outstanding shares of Parent Common Stock were issued in compliance with applicable federal and state securities laws. The approximately 9,000,000 shares of Parent Common Stock to be issued at the Closing, when issued and delivered in accordance with the terms hereof and of the Certificate of Merger, shall be duly and validly issued, fully paid and nonassessable and free of all preemptive rights and will be issued in compliance with applicable federal and state securities laws. Furthermore, the 329,617 and 905,336 shares of Parent Common Stock underlying the Replacement Warrants and the Replacement Options, respectively, to be issued at the Closing have been duly and validly authorized and reserved for issuance, and when issued in accordance with the terms of the Replacement Warrants and the Replacement Options, as the case may be, shall be duly and validly issued, fully paid and nonassessable and free of all preemptive rights and will be issued in compliance with applicable federal and state securities laws. Immediately after the Closing, without giving effect to the private placement offering contemplated by the Memorandum, there will be 15,000,000 shares of Parent Common Stock issued and outstanding.

4.02. Authority. Each of Parent and Merger Sub has all requisite corporate power and authority to conduct its business as presently conducted and as proposed to be conducted, to enter into and perform its obligations under this Agreement and the Ancillary Agreements. This Agreement has been duly authorized, executed and delivered and constitutes the valid and binding obligations of Parent or Merger Sub, as applicable, enforceable against each of Parent or Merger Sub, as applicable, in accordance with their respective terms (i) except as enforceability may be limited by applicable bankruptcy, insolvency, reorganization, moratorium or other similar laws now or hereafter in effect related to laws affecting creditors’ rights generally, including the effect of statutory and other laws regarding fraudulent conveyances and preferential transfers, and (ii) subject to the limitations imposed by general equitable principles (regardless of whether such enforceability is considered in a proceeding at law or in equity).

4.03. No Conflicts. Neither the execution and delivery of, or performance by Parent or Merger Sub under this Agreement or any of the other Ancillary Agreements nor the consummation of the transactions herein or therein contemplated conflicts with or violates, or will result in the creation or imposition of, any lien, charge or other encumbrance upon any of the assets of Parent or Merger Sub under any agreement or other instrument to which Parent or Merger Sub is a party or by which Parent or Merger Sub or their assets may be bound, or any term of the certificate of incorporation or by-laws of Parent or Merger Sub, or any license, permit, judgment, decree, order, statute, rule or regulation applicable to Parent or Merger Sub or any of their assets, except in the case of a conflict, violation, lien, charge or other encumbrance (except with respect to Parent's certificate of incorporation or by-laws) which would not, or could not reasonably be expected to, have a Material Adverse Effect on Parent or Merger Sub, as applicable.

4.04. Governmental Authorizations. No consent, authorization or filing of or with any court or governmental authority is required in connection with the issuance or the consummation of the transactions contemplated herein or in the Ancillary Agreements.

4.05. Proceedings. There are no actions, suits, claims, hearings or proceedings pending before any court or governmental authority or, to the knowledge of Parent, threatened, against Parent or Merger Sub, or involving their assets or any of their officers or directors (in their capacity as such) which, if determined adversely to Parent, Merger Sub or their respective officers or directors, could not reasonably be expected to have a Material Adverse Effect on Parent or Merger Sub, as applicable or adversely affect the transactions contemplated by this Agreement or the enforceability thereof.

4.06. No Operations. Since its date of formation and as of the date hereof, neither the Parent nor Merger Sub has conducted any business or operations other than negotiating and executing such definitive documentation necessary to duly form and capitalize Parent and Merger Sub.

## **ARTICLE V**

### **Covenants**

5.01. Conduct of Business Pending Closing. From the date hereof until the Closing, the Company will:

- (a) maintain its existence in good standing;
- (b) maintain the general character of its business and properties and conduct its business in the Ordinary Course of Business, except as otherwise expressly permitted by this Agreement;
- (c) maintain its business and accounting records consistent with past practices;
- (d) file on a timely basis with the appropriate taxing authorities all tax returns required to be filed, and pay all taxes due, before the Closing Date; and

(e) use commercially reasonable efforts to (i) preserve its business intact, and (ii) keep available to the Company the services of its present officers and employees.

5.02. Prohibited Actions Pending Closing. Unless otherwise expressly permitted herein or approved by Parent in writing, from the date hereof until the Closing, the Company shall not:

(a) declare, set aside or pay any dividend or other distribution in respect of any shares of capital stock of the Company or repurchase, redeem or acquire any outstanding shares of capital stock or other securities of, or other ownership interest in, the Company;

(b) merge, consolidate or adopt a plan of complete or partial liquidation, dissolution, restructuring, recapitalization or other reorganization involving the Company, other than the Merger;

(c) split, combine or reclassify any shares of capital stock of the Company or other securities of the Company or amend the terms of any such stock or securities;

(d) change accounting or tax reporting principles, methods or policies of the Company;

(e) make, change or rescind any material election concerning taxes or tax returns, file any amended tax return, enter into any closing agreement with respect to taxes, settle or compromise any material tax claim or assessment or surrender any right to claim a refund of taxes or obtain any tax ruling;

(f) enter into any transaction other than in the Ordinary Course of Business;

(g) make any loans, advances or capital contributions to, or investments in, any Person or pay any fees to any director, officer, partner or Affiliate thereof or to any Company Stockholder (who is not a director, officer or partner) or Affiliate of any Company Stockholder (other than business expenses incurred in the Ordinary Course of Business);

(h) (i) mortgage, pledge or subject to any lien any of its assets, or (ii) acquire any assets or sell, assign, transfer, convey, lease or otherwise dispose of any assets of the Company, except, in the case of clause (ii), in the Ordinary Course of Business;

(i) cancel or compromise any Indebtedness or amend, cancel, terminate, relinquish, waive or release any contract or right, in each case, except in the Ordinary Course of Business, and which, in the aggregate, would not be material to the Company taken as a whole;

(j) make or commit to make any capital expenditures or capital additions or betterments in excess of \$30,000 individually or \$75,000 in the aggregate;

(k) issue, create, incur, assume, guarantee, endorse or otherwise become liable or responsible with respect to (whether directly, contingently, or otherwise) any Indebtedness where such Indebtedness of the Company exceeds, in the aggregate, \$100,000 other than legal fees and expenses in connection with the Merger and the Private Placement;

- (l) institute or settle any legal proceeding; and
- (m) agree, commit, arrange or enter into any understanding to do anything set forth in this Section 5.02.

5.03. Access to Information. The Company shall, and shall cause its officers, directors, employees and agents to, afford the officers, employees and agents of Parent complete access at all reasonable times, from the date hereof to the Effective Time, to its officers, employees, agents, properties, books and records, and shall furnish Parent all financial, operating and other data and information as Parent, through its officers, employees or agents, may reasonably request. Parent shall keep all information discovered in the course of such investigation confidential.

5.04. Reasonable Efforts to Close. Subject to the terms and conditions provided in this Agreement, each of the parties hereto shall use reasonable best efforts to take promptly, or cause to be taken promptly, all actions, and to do promptly, or cause to be done promptly, all things necessary, proper or advisable under applicable Law to consummate and make effective the Merger and the other transactions contemplated hereby as promptly as practicable, including by using commercially reasonable efforts to take all action necessary to satisfy all of the conditions to the obligations of the other party or parties hereto to effect the Merger set forth in ARTICLE VI, to obtain all necessary waivers, consents, approvals and other documents required to be delivered hereunder and to effect all necessary registrations and filings and to remove any injunctions or other impediments or delays, legal or otherwise, in each case in order to consummate and make effective the Merger and the other transactions contemplated by this Agreement for the purpose of securing to the parties hereto the benefits contemplated by this Agreement.

5.05. Stockholder Approval.

(a) Immediately following the execution of this Agreement, the Company shall obtain the Stockholders' Consent through the execution of a written consent in the form attached hereto as **Exhibit B** (the "**Stockholder Written Consent**").

(b) Immediately following the execution of this Agreement, Merger Sub shall deliver a written consent evidencing stockholder consent ("**Parent's Consent**").

5.06. Tax Matters. The following provisions shall govern the allocation of responsibility between Parent and the Company Stockholders for certain tax matters following the Closing Date.

(a) Responsibility for Filing Tax Returns. The Stockholder Representative shall timely file all tax returns required to be filed by the Company in respect of any pre-closing tax period and shall pay or cause to be paid all taxes shown due thereon. All such tax returns shall be prepared in a manner consistent with the Company's prior practice. The Stockholder Representative shall provide Parent with copies of such completed tax returns at least twenty (20) days prior to the due date for filing thereof, along with supporting work papers, for Parent's review and approval which shall not be unreasonably withheld or delayed. The Stockholder Representative and Parent shall attempt in good faith to resolve any disagreements regarding such tax returns prior to the due date for filing. In no event shall the Stockholder Representative file any tax return relating to the Company without the prior approval of Parent, which shall not be unreasonably withheld or delayed.



(b) Cooperation on Tax Matters.

(i) The parties hereto shall cooperate fully, as and to the extent reasonably requested by the other party, in connection with the filing of tax returns pursuant to Section 5.06(a) (including signing any such tax returns) above and any audit or legal proceeding with respect to taxes. Such cooperation shall include the retention and (upon the other party's request) the provision of records and information which are reasonably relevant to any such audit or legal proceeding and making employees available on a mutually convenient basis to provide additional information and explanation of any material provided hereunder.

(ii) Parent and the Stockholder Representative, on behalf of the Company Stockholders, further agree, upon request, to use their respective best efforts to obtain any certificate or other document from any taxing authority or any other Person as may be necessary to mitigate, reduce, or eliminate any tax that could be imposed (including, but not limited to, with respect to the transactions contemplated hereby).

(c) Certain Taxes. The Stockholder Representative shall, at the Parent's expense, file all necessary tax returns and other documentation with respect to all transfer, documentary, sales, use, stamp, registration and other such taxes, and all conveyance fees, recording charges and other fees and charges (including any penalties and interest) incurred in connection with the consummation of the transactions contemplated by this Agreement, and, if required by applicable Law, Parent will join in the execution of any such tax returns and other documentation.

(d) Survival of Obligations. Notwithstanding any other provision in this Agreement to the contrary, the obligations of the parties set forth in this Section 5.06 shall be unconditional and absolute and shall remain in effect without limitation as to time or amount.

(e) Reorganization. It is intended that the transactions contemplated by this Agreement qualify and be treated as a "reorganization" within the meaning of section 368(a) of the Code, by reason of Code section 368(a)(2)(E). Unless applicable law or a governmental authority requires otherwise, the parties agree for income tax purposes to report the transaction consistently with the preceding sentence.

5.07. Publicity. No party to this Agreement shall directly or indirectly make any public announcement or statement regarding this Agreement, the Ancillary Agreements or the transactions contemplated hereby or thereby without the prior consent of Parent and the Company, such consent not to be unreasonably withheld, except as such release or announcement may be required by Law or the rules or regulations of any United States or foreign securities exchange or automated quotation system, in which case the party required to make the release or announcement shall allow the other party reasonable time to comment on such release or announcement in advance of such issuance

5.08. Confidentiality. Each of the Company Stockholders and Parent shall (and shall cause each of its respective representatives to) maintain in confidence and not directly or indirectly, use, disseminate, disclose or publish, or use for such Company Stockholder's or Parent's benefit or the benefit of any person, firm, corporation or other entity any confidential or proprietary information of or relating to the Company, the transactions contemplated by this Agreement or the Ancillary Agreements or the Merger Consideration (collectively, the "**Confidential Information**"), or deliver to any person, firm, corporation or other entity any document, record, notebook, computer program or similar repository of or containing any such Confidential Information. Each of the Company Stockholders, Merger Sub and Parent hereby stipulate and agree that as between them, the Confidential Information is important, material and affects the successful conduct of the business of the Company as currently conducted and as contemplated to be conducted by the Surviving Corporation following the consummation of the transactions contemplated by this Agreement and the Ancillary Agreements.

5.09. Resignations. On the Closing Date, the Company shall cause to be delivered to Parent duly executed resignations, effective as of the Effective Time, of all directors and officers of the Company and shall take such other action as is necessary to accomplish the foregoing.

5.10. Employment Agreements and Non-Disclosure and Invention Assignment Agreements ("NDIAs"). On or prior to the Closing Date, Parent shall enter into employment agreements and NDIAs with each of Yuval Cohen Ph.D., Mark Tepper Ph.D., and Sean Moran. (each an "**Employment Agreement Recipient**").

5.11. Voting Agreements. On or prior to the Closing Date, the Company Stockholders and the stockholders of Parent shall enter into the Voting Agreement in the form and substance of the agreement annexed hereto as **Exhibit C**.

5.12. Appointment of Directors and Officers of Parent.

(a) On or prior to the Closing Date, Parent shall cause the Board of Directors to constitute the individuals set forth on Schedule 1.05(a) effective as of the Effective Time (the "**Effective Time Parent Board**") and shall take such other action as is necessary to accomplish the foregoing.

(b) On or prior to the Closing Date, Parent shall cause the Effective Time Parent Board to appoint the individuals to the offices set forth opposite their respective names on Schedule 1.05(b) effective as of the Effective Time (the "**Effective Time Parent Officers**") and shall take such other action as is necessary to accomplish the foregoing.

5.13. Further Assurances. From time to time, as and when requested by any party, each party shall execute and deliver, or cause to be executed and delivered, all such documents and instruments and shall take, or cause to be taken, all such further or other actions, as such other party may reasonably deem necessary or desirable to consummate the transactions contemplated by this Agreement.

**ARTICLE VI**  
Conditions to Closing

6.01. Conditions Precedent to Each Party's Obligation to Effect the Merger. The respective obligations of each party hereto to effect the Merger shall be subject to the fulfillment or satisfaction, prior to or on the Closing Date of the following conditions:

(a) Completion of the Private Placement. On or before the Closing Date, Parent shall have closed on at least Four Million Five Hundred Thousand Dollars (\$4,500,000) in the Private Placement.

(b) Stockholder Approval. The Company shall have obtained the Stockholders' Consent to the Merger and the other transactions contemplated by this Agreement.

(c) Parent Consent. Merger Sub shall have obtained Parent's Consent to the Merger and the other transactions contemplated by this Agreement pursuant to the Parent Written Consent delivered to the Company.

(d) No Legal Impediments. As of the Closing Date, there shall not be any suit, action or proceeding by any Governmental Entity before any court or Governmental Entity seeking to restrain or prohibit the consummation of this Agreement or any of the other transactions contemplated by this Agreement.

(e) Other Consents. On or before the Closing Date, Parent, Merger Sub and the Company have each obtained and delivered, as applicable, all necessary board, shareholder and third party consents required pursuant to this Agreement.

(f) Completion of Due Diligence. Each of Parent and the Company, in its reasonable discretion, shall have completed all necessary technical and legal due diligence.

6.02. Conditions Precedent to Obligations of Parent and Merger Sub. All obligations of Parent and Merger Sub under this Agreement are further subject to the fulfillment, satisfaction or (to the extent permitted by Law) waiver by Parent, prior to or on the Closing Date, of each of the following conditions precedent:

(a) Representations and Warranties. Each of the Company's representations and warranties contained in ARTICLE III of this Agreement shall be true and correct in all material respects on and as of the Closing Date with the same effect as though such representations and warranties were made on and as of the Closing Date, except to the extent that any representations and warranties expressly relate to an earlier date, in which case such representations and warranties shall be evaluated as of such earlier date.

(b) Covenants. The Company shall have performed and complied in all material respects with all covenants and obligations under this Agreement required to be performed and complied with by the Company prior to the Closing.

(c) Officer's Certificate. Parent shall have received a certificate from the Company, validly executed by the Chief Executive Officer of the Company for and on the Company's behalf, to the effect that, as of the Closing the conditions set forth in Sections 6.02(a) and 6.02(b) have been satisfied.

(d) No Material Indebtedness. Parent shall have received a certificate from the Company, validly executed by the Company's Chief Financial Officer certifying that as of the Closing Date, the Company's liabilities do not exceed One Million Dollars (\$1,000,000) in the form of accounts payable, notes payable and accrued expenses, other than legal and accounting expenses in connection with the Merger and the Private Placement. The Company shall not be a party to or bound by any instrument or agreement relating to any material indebtedness that would limit the issuance or cancellation of any securities pursuant to this Agreement.

(e) Employment Agreements and NDIA's. Parent shall have received executed copies of the employment agreements and NDIA's from each of the Employment Agreement Recipients.

(f) Voting Agreement. Parent shall have received executed counterparts of the Voting Agreement from the Company Stockholders set forth on Schedule 6.02(g).

(g) No Material Adverse Effect on the Company. As of the Closing Date, there shall not have occurred any event and no circumstance shall exist which, alone or together with any one or more other events or circumstances has had, is having or would reasonably be expected to have a Material Adverse Effect on the Company.

6.03. Conditions Precedent to the Company's Obligations. All obligations of the Company under this Agreement are further subject to the fulfillment, satisfaction, or (to the extent permitted by Law) waiver by the Company prior to or on the Closing Date, of each of the following conditions precedent:

(a) Representations and Warranties. Each of Parent's and Merger Sub's representations and warranties contained in ARTICLE IV of this Agreement shall be true and correct in all respects on and as of the Closing with the same effect as though such representations and warranties were made on and as of the Closing, except to the extent that any representations and warranties expressly relate to an earlier date, in which case such representations and warranties shall be evaluated as of such earlier date.

(b) Covenants. Each of Parent and Merger Sub shall have performed and complied in all material respects with all covenants and obligations under this Agreement required to be performed and complied with by the Company prior to the Closing.

(c) Officer's Certificate. The Company shall have received a certificate from Parent, validly executed by the Chief Executive Officer of Parent for and on the Parent's and Merger Sub's behalf, to the effect that, as of the Closing the conditions set forth in Sections 6.03(a) and 6.03(b), have been satisfied.

(d) No Indebtedness; Cash. The Company shall have received a certificate from Parent, validly executed by Parent's Chief Financial Officer, certifying that as of the Closing Date, (i) neither Parent nor Merger Sub has any liabilities and is are not a party to or bound by an instrument or agreement relating to indebtedness of Parent or Merger Sub and (ii) Parent has cash of at least \$60,000 after deduction for all legal and other expenses payable by Parent and Merger Sub in connection with the Merger and the Private Placement.

(e) Voting Agreement. The Company shall have received executed counterparts of the Voting Agreement from Parent and the stockholders of Parent set forth on Schedule 6.03(e).

(f) Equity Plan. The Company shall have received evidence that Parent has adopted an equity incentive plan providing for the grant of awards to qualified participants of up to fifteen percent (15%) of Parent's fully-diluted capitalization, assuming the maximum offering contemplated by the Private Placement, is sold.

(g) Employment Agreements and NDIA's. As of the Closing Date, each Employment Agreement Recipient shall have received an executed copy of his employment agreement and NDIA, validly executed by Parent.

(h) Effective Time Parent Board. As of the Closing Date, the Company shall have received evidence that the Effective Time Parent Board constitutes the board of Directors of Parent, which shall not be changed, modified or amended by Parent as of the Effective Time.

(i) Effective Time Parent Officers. As of the Closing Date, the Company shall have received evidence that the Effective Time Parent Officers have been duly appointed by the Effective Time Parent Board, which shall not be changed, modified or amended by Parent as of the Effective Time.

6.04. Frustration of Closing Conditions. None of the Company, Parent or Merger Sub may rely on the failure of any condition set forth in Sections 6.01, 6.02 or 6.03, as the case may be, to be satisfied if such failure was caused by such party's failure to use reasonable best efforts to consummate the Merger and the other transactions contemplated by this Agreement, as required by and subject to Section 5.04.

## **ARTICLE VII**

### **Termination**

7.01. Termination. This Agreement may be terminated, and the Merger may be abandoned, at any time prior to the Effective Time whether before or after the approval and adoption of this Agreement and the transactions contemplated hereby by the stockholders of the Company or the stockholder of Merger Sub:

(a) by the mutual agreement of Parent and the Company;

(b) by Parent or Merger Sub, in the event the Company fails to deliver the Stockholder Written Consent to Parent on or before July 31, 2014;

(c) by Parent or Merger Sub, in the event the Company materially breaches or fails to perform any representation, warranty, covenant or agreement on the part of the Company set forth in this Agreement unless such breach or failure is cured within fifteen (15) days after written notice to the Company by Parent or Merger Sub;

(d) by Company, in the event that either Parent or Merger Sub materially breaches or fails to perform any representation, warranty, covenant or agreement on the part of either Parent or Merger Sub, as applicable, set forth in this Agreement unless such breach or failure is cured within fifteen (15) days after written notice to Parent or Merger Sub, as applicable, from the Company; or

(e) by Parent, Merger Sub or the Company if (i) the Effective Time shall not have occurred by July 31, 2014, which date may be extended by Parent, Merger Sub and the Company in their joint discretion until August 31, 2014; provided that the right to terminate this Agreement under this Section 7.01(e) shall not be available to any party whose failure to fulfill any obligation under this Agreement has been the cause of, or resulted in, the failure of the Effective Time to occur on or before such date; or (ii) any court of competent jurisdiction in the United States or other Governmental Entity shall have issued an order, decree, ruling or taken any other action restraining, enjoining or otherwise prohibiting the Merger and such order, decree, ruling or other action shall have become final and nonappealable.

7.02. Effect of Termination. In the event of the termination of this Agreement as provided in Section 7.01, written notice shall be given by the terminating party to the other parties hereto and this Agreement shall forthwith become void and there shall be no liability on the part of Parent, Merger Sub or the Company, except that nothing herein will relieve any party from liability for fraud or for any willful breach of any representation or warranty or any willful breach prior to such termination of any covenant or agreement contained herein or be deemed to waive any rights of specific performance of this Agreement available to a party by reason of any breach by the other party or parties of this Agreement.

## **ARTICLE VIII**

### **Survival**

8.01. Survival of Representations and Warranties. The representations and warranties of the parties contained in this Agreement, any certificate delivered pursuant hereto or any Ancillary Agreement shall survive the Closing for a period of four years from the earlier to occur of the final closing of the Private Placement (as contemplated by the transaction documents governing the Private Placement) or the termination of the Private Placement.

## **ARTICLE IX**

### **General Provisions**

9.01. Fees and Expenses. The Parent and Merger Sub, on the one hand, and the Company, on the other hand, shall each pay all of their own costs and expenses incurred in connection with this Agreement and the Ancillary Agreements and the transactions contemplated hereby and thereby.

9.02. Stockholder Representative.

(a) Yuval Cohen is hereby appointed as representative, attorney-in-fact and agent, with full power of substitution to act in the name, place and stead of each Company Stockholders to take all actions necessary or appropriate in the judgment of the Stockholder Representative for the accomplishment of the terms of this Agreement, and to act on behalf of each Company Stockholder in any amendment of or litigation or arbitration involving this Agreement or any Ancillary Agreement and to do or refrain from doing all such further acts and things, and to execute all such documents, as such Stockholder Representative shall deem necessary or appropriate in conjunction with any of the transactions contemplated by this Agreement, including the power:

(i) to take all action necessary or desirable in connection with the waiver of any condition to the obligations of the Company Stockholders to consummate the transactions contemplated by this Agreement and the Ancillary Agreements;

(ii) to negotiate, execute and deliver all statements, certificates, statements, notices, approvals, extensions, waivers, undertakings, amendments and other documents required or permitted to be given in connection with the consummation of the transactions contemplated by this Agreement (it being understood that a Company Stockholder shall execute and deliver any such documents which the Stockholder Representative agrees to execute);

(iii) to give and receive all notices and communications to be given or received under this Agreement and to receive service of process in connection with the any claims under this Agreement, including service of process in connection with arbitration; and

(iv) to take all actions or refrain from doing any further act or deed on behalf of the Company Stockholders which the Stockholder Representative deems necessary or appropriate in his sole discretion relating to the subject matter of this Agreement as fully and completely as a Company Stockholder could do if personally present.

(b) If Yuval Cohen becomes unable to serve as Stockholder Representative, such other Person or Persons as may be designated by a majority-in-interest of the Company Stockholders, shall succeed as the Stockholder Representative.

(c) The Stockholder Representative shall not be held liable by any of the Company Stockholders for actions or omissions in exercising or failing to exercise all or any of the power and authority of the Stockholder Representative pursuant to this Agreement, except in the case of the Stockholder Representative's gross negligence, bad faith or willful misconduct. The Stockholder Representative shall be entitled to rely on the advice of counsel, public accountants or other independent experts that it reasonably determines to be experienced in the matter at issue, and will not be liable to any Stockholder for any action taken or omitted to be taken in good faith based on such advice. The Company Stockholders will, severally and not jointly, indemnify (in accordance with their pro rata percentages) the Stockholder Representative from any losses arising out of its serving as the Stockholder Representative hereunder, except for losses arising out of or caused by the Stockholder Representative's gross negligence, bad faith or willful misconduct. The Stockholder Representative is serving in his capacity as such solely for purposes of administrative convenience, and is not personally liable in such capacity for any of the obligations of the Company Stockholders hereunder, and Parent, Merger Sub and the Company agree that they will not look to the personal assets of the Stockholder Representative, acting in such capacity, for the satisfaction of any obligations to be performed by the Stockholders hereunder except to the extent of the Stockholder Representative's gross negligence, bad faith or willful misconduct.

9.03. Binding Effect; Assignment. This Agreement shall be binding upon and inure to the benefit of the parties and their respective successors and permitted assigns. Nothing in this Agreement shall create or be deemed to create any third party beneficiary rights in any person or entity not a party to this Agreement except as provided below. No assignment of this Agreement or of any rights or obligations hereunder may be made by either party without the prior written consent of the other party and any attempted assignment without the required consent shall be void.

9.04. No Third-Party Beneficiaries. This Agreement is for the sole benefit of the parties hereto and their permitted assigns and nothing herein expressed or implied shall give or be construed to give to any person, other than the parties hereto and such assigns, any legal or equitable rights hereunder. Notwithstanding the foregoing, it is expressly agreed that Aegis Capital Corp. is a third party beneficiary with respect to Sections 3, 4 and 5 of this Agreement.

9.05. Notices. All notices or other communications required or permitted to be given hereunder shall be in writing and shall be delivered by hand or sent by facsimile or sent, postage prepaid, by registered, certified or express mail or overnight courier service and shall be deemed given when received. All notices hereunder must be delivered as set forth below, or pursuant to instructions as may be designated in writing by the party to receive such notice:

if to Parent,

Corbus Pharmaceuticals Holdings, Inc.  
c/o Orchestra Medical Ventures, LLC  
142 West 57th St., Suite 4A  
New York, NY 10019  
Attention: David Hochman, President  
Email: dhochman@orchestramv.com

with a copy to:  
Meister Seelig &Fein LLP  
2 Grand Central Tower  
140 East 45th Street, 19th Floor  
New York, NY 10017  
Attention: Kenneth S. Goodwin  
Fax: 646-539-3663



if to the Company,

JB Therapeutics, Inc.  
508 Dudley Road  
Newton, MA 02459  
Attention: Sean Moran, Chief Financial Officer  
E-mail: smoran@jbtherapeutics.com

with a copy to:

Lowenstein Sandler LLP  
1251 Avenue of the Americas, 17<sup>th</sup> Floor  
New York, New York 10020  
Attention: Steven M. Skolnick  
Fax: 973-597-2477

and

if to the Stockholder Representative,

508 Dudley Road  
Newton, MA 02459  
Attention: Yuval Cohen, Ph.D.  
E-mail: ycohen@jbtherapeutics.com

with a copy to:

Lowenstein Sandler LLP  
1251 Avenue of the Americas, 17<sup>th</sup> Floor  
New York, New York 10020  
Attention: Steven M. Skolnick  
Fax: 973-597-2477

9.06. Interpretation; Exhibits and Schedules; Certain Definitions.

(a) The headings contained in this Agreement, in any Exhibit or Schedule hereto and in the table of contents to this Agreement are for reference purposes only and shall not affect in any way the meaning or interpretation of this Agreement. Any matter disclosed in any provision, section or subsection of any Schedule shall be deemed disclosed only for all purposes of such provision, section or subsection. All Exhibits and Schedules annexed hereto or referred to herein are hereby incorporated in and made a part of this Agreement as if set forth in full herein. Any capitalized terms used in any Schedule or Exhibit but not otherwise defined therein shall have the meaning as defined in this Agreement. When a reference is made in this Agreement to a Section, Exhibit or Schedule, such reference shall be to a Section of, or an Exhibit or Schedule to, this Agreement unless otherwise indicated.

(b) For all purposes hereof:

“**Affiliate**” of any person means another person that directly or indirectly, through one or more intermediaries, controls, is controlled by, or is under common control with, such first person.

“**Ancillary Agreements**” means the Voting Agreement and the transaction documents entered into among Parent, the Company and the other parties thereto in connection with the Private Placement.

“**Business Day**” means any day of the year on which national banking institutions in New York are open to the public for conducting business and are not required or authorized to close.

“**Company Stockholder**” means each person who is a holder of capital stock of the Company as of the Effective Time.

“**Contingent Obligation**” means, as to any Person, any direct or indirect liability, contingent or otherwise, of that Person with respect to any indebtedness, lease, dividend or other obligation of another Person if the primary purpose or intent of the Person incurring such liability, or the primary effect thereof, is to provide assurance to the obligee of such liability that such liability will be paid or discharged, or that any agreements relating thereto will be complied with, or that the holders of such liability will be protected (in whole or in part) against loss with respect thereto.

“**GAAP**” means United States generally accepted accounting principles applied on a consistent basis throughout the periods indicated as in effect as of the date hereof.

“**Governmental Entity**” means any legislative, executive, judicial, regulatory or administrative unit of any governmental entity (multinational, foreign, federal, state or local) or any department, commission, board, agency, bureau, ministry, official, arbitrator (public) or other similar body exercising executive, legislative, regulatory, administrative or judicial authority or functions of or pertaining to government, including any authority or other quasi-governmental entity established by any of the foregoing to perform any such functions.

“**including**” means including, without limitation.

“**Indebtedness**” means with respect to any Person without duplication, (A) all indebtedness for borrowed money, (B) all obligations issued, undertaken or assumed as the deferred purchase price of property or services including (without limitation) “Capital Leases” (as defined under GAAP) (other than trade payables entered into in the ordinary course of business), (C) all reimbursement or payment obligations with respect to letters of credit, surety bonds and other similar instruments, (D) all obligations evidenced by notes, bonds, debentures or similar instruments, including obligations so evidenced incurred in connection with the acquisition of property, assets or businesses, (E) all indebtedness created or arising under any conditional sale or other title retention agreement, or incurred as financing, in either case with respect to any property or assets acquired with the proceeds of such indebtedness (even though the rights and remedies of the seller or bank under such agreement in the event of default are limited to repossession or sale of such property), (F) all monetary obligations under any leasing or similar arrangement which, in connection with GAAP, consistently applied for the periods covered thereby, is classified as a capital lease, (G) all indebtedness referred to in clauses (A) through (F) above secured by (or for which the holder of such Indebtedness has an existing right, contingent or otherwise, to be secured by) any mortgage, lien, pledge, charge, security interest or other encumbrance upon or in any property or assets (including accounts and contract rights) owned by any Person, even though the Person which owns such assets or property has not assumed or become liable for the payment of such indebtedness, and (H) except for obligations owed to service providers of the Company in connection with this Agreement and the transactions contemplated herein, all Contingent Obligations in respect of indebtedness or obligations of others of the kinds referred to in clauses (A) through (G) above of at least \$75,000.

“**Liability**” means any debt, loss, damage, adverse claim, fines, penalties, liability or obligation (whether direct or indirect, absolute or contingent, accrued or unaccrued, matured or unmatured, determined or determinable, liquidated or unliquidated, or due or to become due, and whether in contract, tort, strict liability or otherwise), and including all costs and expenses relating thereto including all fees, disbursements and expenses of legal counsel, experts, engineers and consultants and costs of investigation).

“**Material Adverse Effect**” means, with respect to each party, a material adverse effect on (i) the financial condition, business, assets, prospects or results of operations of the party, taken as a whole, (ii) the ability of the party to perform its obligations under this Agreement or (iii) the ability of the party to consummate the Merger and the other transactions contemplated hereby; provided, however, that in no event shall any change resulting from conditions affecting the industry in which such party operates or from changes in general business or economic conditions be taken into account in determining whether there has been a Material Adverse Effect except to the extent such change has a disproportionate impact on the applicable party relative to other businesses operating in the same industry.

“**Ordinary Course of Business**” means the ordinary and usual course of day-to-day operations of the business of the Company through the date hereof consistent with past practice.

“**Person**” means an individual, a limited liability company, a partnership, a joint venture, a corporation, a trust, an unincorporated organization and a government or any department or agency thereof. The following terms, when used in this Agreement, shall have the meanings assigned to such terms in the Sections set forth below:

<u>Terms</u>	<u>Section</u>
Affiliate	9.06(b)
Aggregate Consideration Schedule	2.02
Agreement	Preamble
Ancillary Agreements	9.06(b)
Business Day	9.06(b)
Cancelled Shares	2.01(d)
Certificates	2.01(e)
Certificate of Merger	1.02(b)
Closing	1.02(a)
Closing Date	1.02(a)
Common Share	2.01(a)(i)

<u>Terms</u>	<u>Section</u>
Common Stock	2.01(a)(i)
Common Stock Consideration	2.01(a)(i)
Company	Preamble
Company Stock	2.01(a)(iii)
Company Stockholder	9.06(b)
Confidential Information	5.07
DGCL	Recitals
Effective Time	1.02(b)
Employment Agreement Recipient	5.10
Governmental Entity	9.06(b)
Indebtedness	9.06(b)
Liability	9.06(b)
Memorandum	3.06
Merger	Recitals
Merger Consideration	2.01(a)
Merger Sub	Preamble
NDIA	5.10
Ordinary Course of Business	9.06(b)
Parent	Preamble
Person	9.06(b)
Preferred Share	2.01(a)(iii)
Preferred Stock	2.01(a)(iii)
Preferred Stock Consideration	2.01(a)(iii)
Private Placement	Recitals
Replacement Option	2.01(b)(i)
Replacement Warrant	2.01(b)(ii)
Stockholders' Consent	3.02(b)
Shares	2.01(a)(iii)
Stockholder Representative	Preamble
Stockholder Written Consent	5.05
Surviving Corporation	1.01
Warrants	2.01(a)(ii)

9.07. Entire Agreement; Amendments and Waivers. This Agreement (including the Schedules and Exhibits hereto), together with the Ancillary Agreements represent the entire understanding and agreement between the parties hereto with respect to the subject matter hereof and supersedes all prior agreements, arrangements and undertakings, both written and oral, between the parties, or any of them, with respect to the subject matter of this Agreement. This Agreement may be amended by the parties at any time before or after receipt of the Stockholders' Consent; provided, that after receipt of the Stockholders' Consent, there shall be made no amendment that by Law requires further approval by such stockholders without the further approval of such stockholders. This Agreement may not be amended except by an instrument in writing signed on behalf of each of the parties. At any time prior to the Effective Time, the parties may (a) extend the time for the performance of any of the obligations or other acts of the other parties, (b) waive any inaccuracies in the representations and warranties contained in this Agreement or in any document delivered pursuant to this Agreement or (c) to the fullest extent permitted by Law, waive compliance with any of the agreements or conditions contained in this Agreement. Any agreement on the part of a party to any such extension or waiver shall be valid only if set forth in an instrument in writing signed on behalf of such party.

9.08. Severability. If any term or other provision of this Agreement is invalid, illegal, or incapable of being enforced by any Law or public policy, all other terms or provisions of this Agreement shall nevertheless remain in full force and effect so long as the economic or legal substance of the transactions contemplated hereby is not affected in any manner materially adverse to any party. Upon such determination that any term or other provision is invalid, illegal, or incapable of being enforced, the parties hereto shall negotiate in good faith to modify this Agreement so as to effect the original intent of the parties as closely as possible in an acceptable manner in order that the transactions contemplated hereby are consummated as originally contemplated to the greatest extent possible.

9.09. Jurisdiction; Waiver of Jury Trial.

(a) Each of the parties hereto irrevocably submits to the exclusive jurisdiction of the United States District Court for the Southern District of New York located in the borough of Manhattan in the City of New York, or if such court does not have jurisdiction, the Supreme Court of the State of New York, New York County, for the purposes of any suit, action or other proceeding arising out of this Agreement or any transaction contemplated hereby. Each of the parties hereto further agrees that service of any process, summons, notice or document by registered mail to such party's respective address set forth in Section 9.05 (or to such other address for notices as provided by such party pursuant to Section 9.05) or in any other manner permitted by Law shall be effective service of process for any action, suit or proceeding in New York with respect to any matters to which it has submitted to jurisdiction as set forth above in the immediately preceding sentence. Each of the parties hereto irrevocably and unconditionally waives any objection to the laying of venue of any action, suit or proceeding arising out of this Agreement or the transactions contemplated hereby in (i) the United States District Court for the Southern District of New York or (ii) the Supreme Court of the State of New York, New York County, and hereby further irrevocably and unconditionally waives and agrees not to plead or claim in any such court that any such action, suit or proceeding brought in any such court has been brought in an inconvenient forum.

(b) EACH OF THE PARTIES TO THIS AGREEMENT HEREBY WAIVES, TO THE FULLEST EXTENT PERMITTED BY LAW, ANY RIGHT TO TRIAL BY JURY OF ANY CLAIM, DEMAND, ACTION, OR CAUSE OF ACTION (i) ARISING UNDER THIS AGREEMENT OR (ii) IN ANY WAY CONNECTED WITH OR RELATED OR INCIDENTAL TO THE DEALINGS OF THE PARTIES HERETO IN RESPECT OF THIS AGREEMENT OR ANY OF THE TRANSACTIONS RELATED HERETO, IN EACH CASE WHETHER NOW EXISTING OR HEREAFTER ARISING, AND WHETHER IN CONTRACT, TORT, EQUITY, OR OTHERWISE. EACH OF THE PARTIES TO THIS AGREEMENT HEREBY AGREES AND CONSENTS THAT ANY SUCH CLAIM, DEMAND, ACTION, OR CAUSE OF ACTION SHALL BE DECIDED BY COURT TRIAL WITHOUT A JURY AND THAT ANY OF THE PARTIES TO THIS AGREEMENT MAY FILE AN ORIGINAL COUNTERPART OF A COPY OF THIS AGREEMENT WITH ANY COURT AS WRITTEN EVIDENCE OF THE CONSENT OF THE PARTIES HERETO TO THE WAIVER OF THEIR RIGHT TO TRIAL BY JURY.

9.10. Governing Law. This Agreement and the rights and duties of the parties hereto shall be governed by and construed in accordance with the internal laws of the State of New York and shall be governed as to validity, interpretation, construction, affect and in all other respects by the internal laws of the State of New York.

9.11. Counterparts. This Agreement may be executed in one or more counterparts, all of which shall be considered one and the same agreement, and shall become effective when one or more such counterparts have been signed by each of the parties and delivered to the other parties.

*[REMAINDER OF PAGE INTENTIONALLY LEFT BLANK]*

IN WITNESS WHEREOF, the parties hereto have duly executed this Agreement and Plan of Merger as of the date first written above.

**COMPANY:**

JB THERAPEUTICS, INC.

By: \_\_\_\_\_  
Name: Yuval Cohen  
Title: Chief Executive Officer

**PARENT:**

CORBUS PHARMACEUTICAL HOLDINGS, INC.

By: \_\_\_\_\_  
Name: David Hochman  
Title: President

**MERGER SUB:**

CORBUS PHARMACEUTICALS ACQUISITION, INC.

By: \_\_\_\_\_  
Name: David Hochman  
Title: President

**STOCKHOLDER REPRESENTATIVE:**

By: \_\_\_\_\_  
Yuval Cohen

*[Signature Page to Merger Agreement]*

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Confidential Treatment has been requested as to certain portions of this document. Each such portion, which has been omitted herein and replaced with an asterisk [\*], has been filed separately with the Securities and Exchange Commission.

### SUBSCRIPTION AGREEMENT

This Subscription Agreement dated as of April \_\_, 2009 (the "Effective Date") is between Sumner Burstein ("Burstein") and JB Therapeutics, Inc. (the "Company").

For good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged the parties hereto agree as follows:

**1. Purchase and Sale of Shares.** Burstein hereby purchases and the Company hereby issues and sells (i) 200,000 shares of the Company's Series A Non-Convertible Preferred Stock (the "Preferred Shares") and (ii) 2,375,000 shares (the "Common Shares" and together with the Preferred Shares, the "Shares") of the Company Common Stock.

**2. Purchase Price.** The Purchase Price for the Shares is payable as follows: (i) with respect to the Preferred Shares, Burstein shall transfer to the Company, the Documentation (as defined below) and all right, title and interest in the int10-13lectual property listed on Schedule A attached hereto (the "Property" and the "Property Schedule" respectively) and (ii) with respect to the Common Shares, Burstein shall pay \$23,750 to the Company by check or wire transfer.

**3. Value of Property.** Burstein and the Company agree that for the purposes hereof, the value of the Property is \$200,000. The contribution of the Property in exchange for the Shares is intended to qualify as a tax free transaction under Section 351 of the Internal Revenue Code of 1986, as amended.

**4. Representations With Respect to Property.** Burstein represents and warrants as follows:

- a) the inventors of the Patents (as defined in Property Schedule) are listed on Property Schedule;
- b) Burstein is the sole owner of the Patents by virtue of assignment by the Persons listed on the Property Schedule and owns the entire right, title, and interest in and to each of the Patents and each claim therein free and clear of any liens and encumbrances of every kind and nature;
- c) the document attached as Exhibit 1, when duly executed with respect to each Patent, and will be effective to transfer to Company the entire right, title, and interest in and to each of the Patents;
- d) the Patents have not been adjudged invalid or unenforceable, in whole or in part, and, (i) are not currently subject to any interference or other proceeding or litigation and (ii) have not been challenged or objected to in any way;
- e) all applicable patent office fees and legal or other costs and fees arising from or relevant to the Patents incurred up to and including the date hereof, have been fully paid and discharged;
- f) up to and including the date hereof, Burstein has not granted any license, grant of rights, lien, permission, or other grant of any interest in the Patents except as listed on Product Schedule;
- g) in connection with the prosecution of each Patent, Burstein has not knowingly withheld information or done any other act that constitutes inequitable conduct;



h) Burstein, with regard to any Patent, has no actual knowledge of any prior art that may invalidate the Patents wholly or in part or is such that, had Burstein known of such prior art prior to the issuance of such Patent, Burstein would have been obligated to disclose such prior art to the United States Patent Office;

i) Burstein has not made, and has no actual knowledge that any third party has made, any patent application or received any patent covering the Other Technology (as defined in Product Schedule) wholly or in part;

j) the Technology Rights are free and clear of any liens and encumbrances created by Burstein; and

k) Prior to this Agreement, Burstein has not granted any license, grant of rights, lien, permission, or other grant of any interest in the Technology Rights except for a certain license agreement with Indevus Pharmaceuticals, Inc. dated August 22, 2003.

**5. Assignment and Delivery of Work Papers.** Burstein agrees to provide to the Company simultaneously with the delivery of the various assignment documents substantially contemporaneously with the execution of this Agreement, all invention disclosures, research notebooks, drawing files, and any other documentation relating to the Property that Burstein may possess, including all copies thereof ("**Documentation**") and agree that the Company shall be and hereby becomes the owner of the same, effective as of the Effective Date. Burstein may retain a single archive copy of the Documentation in reasonable secure storage and hold it in confidence. Burstein may not disclose such Documentation to any third party without the Company's express prior permission, which Analog may grant or withhold in its discretion.

**6. Delivery of Control of Patent Records.**

a) Burstein agrees to instruct his patent counsel or patent agent that, as of the Effective Date, the Company is the successor owner of the Patents and arrange for the transfer to the Company of control of all records, papers, and information related thereto. As of the Effective Date, all such records, papers, and information shall become the property and confidential information of the Company.

b) The Company is intended to be within the scope of any attorney-client or other applicable privilege with regard to all information relating to the Patents, and this Agreement is not intended to breach or waive such privilege between Burstein and his patent counsel or patent agent. Rather, the Company shall, as of the Effective Date, be a successor in interest that succeeds to the sole and exclusive access to such privileged information.

**7. Ongoing Obligation to Cooperate**

a) Burstein agrees to execute all applications, documents, papers, and instruments necessary or desirable for the Company, as the Company may decide and direct, to give effect to the provisions of this Agreement and the intent hereof or provide for the documentation or perfection of the Company's rights; provided, that after the Effective Date all reasonable out-of-pocket expenses incurred by Burstein in connection with such requested cooperation shall be borne by the Company.

b) In addition, Burstein agrees to cooperate with the Company in any potential future legal action to enforce or defend the Property to the extent that the request is reasonable and that compliance with the request will not cause undue hardship to Burstein.

#### **8. Securities Matters.**

8.1 Burstein acknowledges that the Shares will be issued to him subject to the following restrictions:

- a) Restrictions on transfer that may be contained in the Company's Bylaws; and
- b) Securities law restrictions.

8.2 With respect to securities law restrictions, Burstein has been advised that the Shares have not been registered under the Securities Act of 1933 or any state securities laws.

8.3 Burstein is acquiring the Shares for investment and not with a view to the sale or distribution thereof. Burstein understands that the Shares are being issued to him on the grounds that the transaction is exempt under one or more provisions of the Securities Act of 1933 and the applicable state securities laws and Burstein further understands that they must be held by him indefinitely unless registered under such acts or unless an exemption from registration is available for any transfer by him.

8.4 Burstein further acknowledges that he has had the opportunity to review the Corporation's Certificate of Incorporation and Bylaws and understands that they contain certain provisions which are not required to be included by law.

**9. Notices and Other Communications.** Any notice hereunder shall be in writing, and may be given by personal delivery, express courier, facsimile or first class mail at the address set forth below or at such other address or number as may be provided in written notice by either party hereto. If to JB Therapeutics at 508 Dudley Road, Newton, MA 02459, Attention: President with copies to Amy J. Mastrobattista, Esq., Ruberto, Israel & Weiner, P.C., 100 North Washington Street, Boston, MA 02114, and if to Burstein at the address set forth beneath his signature hereto or to such other persons or addresses as the parties hereto may specify by a written notice to the other from time to time. All notices, requests, consents and other communications hereunder shall be deemed to have been properly given (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 express courier, on the second business day following the day such notice is delivered to the courier service, (iii) if made by facsimile transmission, at the time that receipt thereof has been acknowledged by electronic confirmation or otherwise or (iv) if sent by registered or certified mail, on the third business day following the day such mailing is made.

**10. Entire Agreement, Amendment, Survival.** This Agreement constitutes the entire agreement between the parties and supersedes all prior agreements and understandings, whether written or oral, relating to the subject matter of this Agreement. This Agreement may be amended or modified only by a written instrument executed by both the Company and Burstein.

**11. Governing Law.** This Agreement shall be construed, interpreted and enforced in accordance with the laws of the Massachusetts. Any dispute arising from this Agreement or the subject matter hereof shall be subject to the exclusive jurisdiction and venue of the state and federal courts located in Boston, Massachusetts and all parties hereby irrevocably submit to the exclusive jurisdiction and venue of such courts.

**12. Successors and Assigns.** This Agreement shall be binding upon and inure to the benefit of both parties and their respective and assigns.

**13. Miscellaneous.** No delay or omission by the Company in exercising any right under this Agreement shall operate as a waiver of that or any other right. A waiver or consent given by the Company on any one occasion shall be effective only in that instance and shall not be construed as a bar or waiver of any right on any other occasion. This Agreement may be executed in one or more counterparts, each of which shall be deemed to be an original (a facsimile shall be deemed an original), but all of which taken together shall constitute one and the same instrument. If any provision of this Agreement shall be found to be invalid by any court or arbitrator having competent jurisdiction, the invalidity of such provision shall not affect the validity of the remaining provisions. The parties have participated jointly in the negotiation and drafting of this Agreement. In the event ambiguity or question of intent or interpretation arises, this Agreement shall be construed as if drafted jointly by the parties and no presumption or burden of proof shall arise favoring or disfavoring any party by virtue of the authorship of any of the provisions of this Agreement.

JB THERAPEUTICS, INC.

By: /s/ Mark A. Tepper  
Name: Mark A. Tepper  
Title: President and CEO

/s/ Sumner Burstein  
Sumner Burstein

Address:

Schedule A

Products

1. Patents:

		TITLE	INVENTOR(S)	ASSIGNEE
1	[*]	[*]	[*]	[*]
2	[*]			
3	[*]	[*]	[*]	[*]
4	[*]	[*]	[*]	[*]
5	[*]	[*]	[*]	[*]
6	[*]	[*]	[*]	[*]
7	[*]	[*]	[*]	[*]
	[*]	[*]		[*]
9	[*]	[*]		[*]

Together with: (i) any present or future reissues, divisions, continuations, renewals, extensions, continuations-in-part of any patent or any applications therefor; (ii) foreign counterparts of any of the above; (iii) any patents or patent applications claiming priority from any of the above; (iv) any priority rights with regard to any of the above under any law or treaty; (v) any accrued and future income and payments from any of the above; (vi) any rights to sue and recover for past, present, and future infringements under any of the above; and (vii) any rights, causes of action or pending law suits arising from agreements the subject matter of which includes any Patent including but not limited to any rights or causes of action under a certain license agreement with Indevus Pharmaceuticals, Inc. dated August 22, 2003.

2. Technology: Any inventions, trade secrets, ideas, processes, formulas, recipes, drug materials, source and object code, data, programs, other works of authorship, know-how, improvements, discoveries, developments, designs, methods and techniques whether patentable or not relating to the subject matter of the Patents.

3. Technology Rights: With respect to the Technology, all of the following: (i) all rights associated with works of authorship, including but not limited to copyrights or moral rights, (b) trademark and trade name rights and similar rights, (c) trade secret rights, (d) patents, designs, algorithms and other industrial property rights, (e) all other intellectual and industrial property rights (of every kind and nature and however designated), whether arising by operation of law, contract, license, or otherwise, (f) all registrations, initial applications, renewals, extensions, continuations, divisions or reissues thereof now or hereafter in force (including any rights in any of the foregoing), (g) any priority rights with regard to any of the above under any law or treaty; (h) any accrued and future income and payments from any of the above; (i) any rights to sue and recover for past, present, and future infringements under any of the above; and (j) any rights, causes of action or pending law suits arising from any agreements the subject matter of which is any of the above.

Company acknowledges and agrees that Burstein is employed by the UMASS Medical School ("UMASS") and that Burstein has the obligation to assign his rights to certain technology and intellectual property developed at UMASS to UMASS. Company also acknowledges and agrees that nothing contained in this subscription agreement is intended to transfer any technology or intellectual property rights that Burstein has already assigned (or been deemed to assign per his contractual obligations) to UMASS or that are otherwise subject to the above referenced assignment obligation.

**ASSIGNMENT OF PATENT**

Whereas, Sumner Burstein, an individual residing at \_\_\_\_\_, (“Owner”) owns all right, title and interest in and to a United States Patent No. \_\_\_\_\_ “\_\_\_\_\_” dated \_\_\_\_\_ (the “Patent”); and,

Whereas, JB Therapeutics, Inc. a Delaware corporation with a place of business at \_\_\_\_\_, (“Assignee”) is desirous of acquiring the entire right, title and interest in the Patent;

Now, therefore, in consideration of the sum of one dollar and other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, Owner, by these presents, does sell, assign and transfer unto Assignee the entire right, title and interest in and to the Patent; the same to be held and enjoyed by Assignee for its own use and behoof, and for its legal representatives and assigns, to the full end of the term for which the Patent is granted, as fully and entirely as the same would have been held by Owner had this assignment and sale not been made.

Executed this \_\_\_\_ day of \_\_\_\_\_, 2009, at \_\_\_\_\_.

\_\_\_\_\_  
Sumner Burstein

Commonwealth of Massachusetts County of

On this \_\_\_\_ day of \_\_\_\_\_, 2009, before me, the undersigned notary public, personally appeared Sumner Burstein, who proved to me to be the person whose name is signed on the preceding document, through satisfactory evidence of identification, and acknowledged to me that he signed it voluntarily for its stated purpose.

\_\_\_\_\_  
Seal (Notary Public)

My Commission Expires: \_\_\_\_\_

Confidential Treatment has been requested as to certain portions of this document. Each such portion, which has been omitted herein and replaced with an asterisk [\*], has been filed separately with the Securities and Exchange Commission.

SUBSCRIPTION

April 29, 2009

To: The Board of Directors  
of JB Therapeutics, Inc.

Ladies and Gentlemen:

The undersigned hereby subscribes to 2,375,000 shares (the "Shares") of Common Stock, \$0.001 par value, of JB Therapeutics, Inc. (the "Company") in consideration for the property listed on Schedule A attached hereto (the "Property").

The undersigned and the Company agree that for the purposes hereof, the value of the Property is \$200,000. The contribution of the Property in exchange for the Shares is intended to qualify as a tax free transaction under Section 351 of the Internal Revenue Code of 1986, as amended.

The undersigned acknowledges that the Shares will be issued to him subject to the following restrictions:

1. Restrictions on transfer that may be contained in the Company's Bylaws; and
2. Securities law restrictions.

With respect to securities law restrictions, the undersigned has been advised that the Shares have not been registered under the Securities Act of 1933 or any state securities laws.

The undersigned is acquiring the Shares for investment and not with a view to the sale or distribution thereof. The undersigned understands that the Shares are being issued to him on the grounds that the transaction is exempt under one or more provisions of the Securities Act of 1933 and the applicable state securities laws and the undersigned further understands that they must be held by him indefinitely unless registered under such acts or unless an exemption from registration is available for any transfer by him.

The undersigned further acknowledges that he has had the opportunity to review the Corporation's Certificate of Incorporation and Bylaws and understands that they contain certain provisions which are not required to be included by law.

Very truly yours,

/s/ Sumner Burstein  
Sumner Burstein

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Schedule A

Products

1. Patents:

		TITLE	INVENTOR(S)	ASSIGNEE
1	[*]	[*]	[*]	[*]
2	[*]			
3	[*]	[*]	[*]	[*]
4	[*]	[*]	[*]	[*]
5	[*]	[*]	[*]	[*]
6	[*]	[*]	[*]	[*]
7	[*]	[*]	[*]	[*]
	[*]	[*]		[*]
9	[*]	[*]		[*]

Together with: (i) any present or future reissues, divisions, continuations, renewals, extensions, continuations-in-part of any patent or any applications therefor; (ii) foreign counterparts of any of the above; (iii) any patents or patent applications claiming priority from any of the above; (iv) any priority rights with regard to any of the above under any law or treaty; (v) any accrued and future income and payments from any of the above; (vi) any rights to sue and recover for past, present, and future infringements under any of the above; and (vii) any rights, causes of action or pending law suits arising from agreements the subject matter of which includes any Patent including but not limited to any rights or causes of action under a certain license agreement with Indevus Pharmaceuticals, Inc. dated August 22, 2003.

2. Technology: Any inventions, trade secrets, ideas, processes, formulas, recipes, drug materials, source and object code, data, programs, other works of authorship, know-how, improvements, discoveries, developments, designs, methods and techniques whether patentable or not relating to the subject matter of the Patents.

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3. Technology Rights: With respect to the Technology, all of the following: (i) all rights associated with works of authorship, including but not limited to copyrights or moral rights, (b) trademark and trade name rights and similar rights, (c) trade secret rights, (d) patents, designs, algorithms and other industrial property rights, (e) all other intellectual and industrial property rights (of every kind and nature and however designated), whether arising by operation of law, contract, license, or otherwise, (f) all registrations, initial applications, renewals, extensions, continuations, divisions or reissues thereof now or hereafter in force (including any rights in any of the foregoing), (g) any priority rights with regard to any of the above under any law or treaty; (h) any accrued and future income and payments from any of the above; (i) any rights to sue and recover for past, present, and future infringements under any of the above; and (j) any rights, causes of action or pending law suits arising from any agreements the subject matter of which is any of the above.

Company acknowledges and agrees that Burstein is employed by the UMASS Medical School ("UMASS") and that Burstein has the obligation to assign his rights to certain technology and intellectual property developed at UMASS to UMASS. Company also acknowledges and agrees that nothing contained in this subscription agreement is intended to transfer any technology or intellectual property rights that Burstein has already assigned (or been deemed to assign per his contractual obligations) to UMASS or that are otherwise subject to the above referenced assignment obligation.

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**Subsidiaries of Registrant**

Corbus Pharmaceuticals, Inc., a Delaware corporation

**CONSENT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM**

We consent to the inclusion in this Registration Statement of Corbus Pharmaceuticals Holdings, Inc. on Form S-1 to be filed on or about September 3, 2014 of our report dated July 2, 2014, except for the second paragraph of Note 14, for which the date is August 11, 2014, on our audits of the financial statements of JB Therapeutics, Inc. as of December 31, 2013 and 2012 and for each of the years in the two-year period ended December 31, 2013. We also consent to the reference to our firm under the caption "Experts" in the Registration Statement on Form S-1.

/s/ EisnerAmper LLP  
EisnerAmper LLP  
Iselin, New Jersey

September 3, 2014

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